

## FOOD AND NUTRITION SERVICE

### FY 1999 ANNUAL PROGRAM PERFORMANCE REPORT

The Food and Nutrition Service (FNS) is the Federal agency responsible for managing the domestic nutrition assistance programs. Its mission is:

**To increase food security and reduce hunger in partnership with cooperating organizations by providing children and low-income people access to food, a healthful diet, and nutrition education in a manner that supports American agriculture and inspires public confidence.**

For more information on the programs, their structure and impacts, and their statutory authorities, please see the *FNS Strategic Plan 2000 to 2005*, and the FNS Annual Performance Plans. Only Federal employees were involved in the preparation of this report.

The following table summarizes information on FNS's achievement of fiscal year 1999 performance goals:

FNS PERFORMANCE SUMMARY			
Strategic Goal/ Management Initiative	FY 1999 Performance Goals	Performance Target	Actual
Goal 1: Enhanced Food and Nutrition Security for Low-income Americans	Restore participation in the Food Stamp Program (FSP) of authorized categories of legal immigrants excluded from participation under the 1996 welfare reform law Number of legal immigrants participating in the FSP	225,000	data not available
	Increase availability of information for low-income Americans about nutrition, resource management and community nutrition education Increased number of households receiving FSP nutrition education through USDA Extension Service	123,500	data not available
	Increased percent of able-bodied adults without dependents (ABAWDs) offered work or training slots	Establish baseline	Baseline established
	Maintain payment accuracy in the delivery of Food Stamp Program benefits FSP Payment Accuracy rate States qualifying for enhanced funding	90.1% 8	data not available
	Increase claims collections to recover program losses and deter recipients from accepting overpayments Percent of established claims collected State-reported claims collected	58% \$190 million	69% \$213 million
	Maintain baseline number of sanctions against violating stores Number of sanctioned stores	1,201	1,365
	Reduce percentage of authorized stores that do not meet regulatory eligibility requirements for type and amount of foods sold	Establish baseline	Baseline established
	Increase States/Territories issuing benefits by electronic benefits transfer (EBT)	38	40
	Simplification of program administrative requirements Number of CFR pages of prescriptive FSP requirements Number of program waivers remaining (i.e., not eliminated because they are no longer needed by States)	472 824	431 960
	Complete a demonstration of EBT technology for food purchases at farmers' markets	Complete demo	Demo complete
Goal 2: Healthful Diets for School Age Children	Increased access to nutritional information and expertise for school food service personnel Number of schools receiving Food Buying Guide Number of National Food Service Management Institute (NFSMI) technical assistance site visits	19,000 45	0 47
	Full implementation of School Meals Initiative monitoring by the States Number of School Meal Initiative Monitoring reviews conducted by States	3,200	2,937
	Increased number of schools which meet the <i>Dietary Guidelines</i> Number of SFAs reviewed which require no corrective action to meet the <i>Dietary Guidelines</i>	320	777
	Increased use of nutrition education resource materials and messages by State and school personnel Average monthly inquiries to System by State and school personnel	1,950	4,180
	Goal 2: continued		
	Increased compliance with program regulations regarding counting and claiming meals		

FNS PERFORMANCE SUMMARY			
Strategic Goal/ Management Initiative	FY 1999 Performance Goals	Performance Target	Actual
	Percent of school food authorities (SFAs) in compliance with Performance Standard 1	86%	data not available
Goal 3: Improved Nutritional Status and Health of Low-income Women, Infants and Children	States adopt initiatives to contain WIC food costs Food cost per participant	\$32.63	data not available
	Improved vendor selection Number of violations	6,167	data not available
	EBT implemented in additional States Number of states initiating EBT pilot projects for WIC	4	1
	Increased implementation of National Breastfeeding Campaign Number of States that implemented some or all of the campaign Increased breastfeeding rate	25 42%	54 data not available
	Increased number of State agencies participating in the Farmers' Market Nutrition Program	39	39
	Increased recruitment and retention of qualified nutrition staff in the WIC Program Percent of WIC staff who are registered dietitians or RD-eligible Percent of WIC staff who are registered dietary technicians	48% 2%	data not available
	Increased consistency among States in the use of scientifically sound nutrition risk criteria Number of WIC State agencies using consistent risk criteria promulgated by FNS and the National Association of WIC Directors	70	88
	Expanded WIC services, service referrals, and coordination at Community Migrant Centers and Indian Health Service (IHS) facilities Percent of Community Migrant Health Centers (MHC) and IHS clinics co-located with WIC	75%	data not available
	Increased immunization of WIC pre-school children Immunization rate of WIC pre-school children for DPT Immunization rate of WIC pre-school children for OPV	95% 88%	data not available
Goal 4: Improved Nutritional Status of Children in Day-Care Settings (CACFP)	Improved nutrition knowledge of CACFP providers Number of day care center providers receiving nutrition education materials	30,000	42,500
	Better targeted and higher quality program reviews of sponsors and providers by State agencies Number of reviews conducted	TBD	data not available
	Increased participation of low-income children in CACFP Percent of CACFP children from low-income households	72%	71.5%
Goal 5: Low-Income Children Consume Nutritious Lunches When School Meals Are Not Available (SFSP)	Barriers to schools and other sponsor participation removed Number of participating sponsors Number of participating sites Number of participating children	3,900 32,000 2.42 million	3,635 30,911 2.22 million
	Better targeted and higher quality State agency reviews of sponsors and providers Number of reviews conducted	--	--
Goal 6: Improved Quality Of Food Distribution Commodities and Services	Improved nutrition profile of commodity offerings Commodities added to, modified or deleted from the Foods Available List Number of communications addressing the healthful use/preparation of commodities distributed to customers	3 --	9 --
	Complete commodity specifications review project Work group recommendations developed	--	--
	Increased number of State Distribution Agencies participating in the Electronic Data Interchange (EDI) system and subsequent enhancements	45	50
	Increase number of automated business functions	8	8
	Reduced paperwork (e.g., record keeping and reporting) Number of areas where paperwork is reduced	4	4
	Redesigned FNS food distribution systems Short-term redesign underway	Reengineer selected processes	Broad BPR underway
	Improved communications with customers Number of updates distributed Number of hits on the Food Distribution Division (FDD) Internet home page	4 Establish baseline	4 Baseline not established
Goal 6: continued	Support Departmental gleaning/food recovery efforts Number of schools involved in gleaning/food recovery	Establish baseline	Baseline not established
	Distribution of Step-by-Step Guide on the School Meals/Small Farmers Initiative	Distribution complete	Printing underway

FNS PERFORMANCE SUMMARY			
Strategic Goal/ Management Initiative	FY 1999 Performance Goals	Performance Target	Actual
MI 1: Continually Improve the Quality, Effectiveness and Diversity of the FNS Work Force	Hire top-quality individuals and improve employees' work skills Number of Outstanding Scholars hired at entry level Effectiveness of training	4 >60%	4 Data not available
	Improve the physical work environment Number of smaller-than-standard work stations  Number of work stations that are ergonomically suitable for computers and peripherals	Replace 50%  5% of baseline	24% replaced  23% of baseline
	Continue to implement the agency Infrastructure Modernization throughout FNS Number of upgraded file servers  Number of work stations with token ring topology  Assessment of telecommunications infrastructure	Pre-Pentiums replaced  POC on Ethernet Capacity meets demand	Pre-Pentiums replaced  38% of POC on Ethernet Capacity meets demand
	Improved diversity of FNS work force Percent of senior positions held by women Percent of senior positions held by minorities Percent of women in the FNS workforce Percent of minorities in the FNS workforce Percent of workforce with disabilities	47% 22% 63% 31% 13%	48% 23% 64% 34% 12%
	MI 2: Maintain Continued Fairness in FNS Program Delivery Monitor and assure fairness in FNS program delivery systems Number of program delivery complaints which were reviewed Days needed to issue a decision Number of appeals	277 90 3	262 90 4
MI 3: Users Have Accurate, Timely, Financial Data Available for Decision Making	Maintain progress in upgrading FNS's financial systems Foundation Financial Management System (FFIS), Department NFC financial systems upgrade Agency Financial Management System (AFMS) upgrade to client server technology National Data Bank (NDB) upgrade to data warehouse technology	Continue development Continue development Continue development	Continue development Continue development Continue development
	Implement new or revised Departmental and Government-wide financial standards and policies Independent financial statement audit	Implement standards	Implement standards
	Improve data integrity and agency ability to produce timely, accurate and supported financial statements and other financial information Independent financial statement audits	Make progress	Make progress
	Improvement of the budget development process: Development Process  Timeliness  Product Quality	Staff follows process, uses products Information provided earlier Enhanced format and clarity	Actions completed  Actions Completed Improvements achieved
	Continue progress towards full implementation of the Debt Collection Improvement Act (DCIA) Percentage of eligible delinquent food stamp recipient claims transferred to Treasury Percentage of eligible delinquent food stamp retailer debts referred to Treasury	40%  75%	100%  87%
	Correct identified internal control deficiencies in a timely manner Percentage of audits completed timely Percentage of FMFIA material deficiencies corrected timely	50% 75%	90% 87%

### Goal 1: Enhanced Food and Nutrition Security for Low-income Americans

**Objective 1.1:** Enhanced nutritional security and food purchasing power of low-income Americans participating in the Food Stamp Program

**Key Performance Goals:**

<p><u>Restore participation in the Food Stamp Program (FSP) of authorized categories of legal immigrants excluded from participation under the 1996 welfare reform legislation</u></p> <p>Number of legal immigrants participating in the FSP</p> <p><b>Target:</b> 225,000</p> <p><b>Actual:</b> Data not available</p>
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**1999 Data:** The number of legal immigrants participating in the Food Stamp Program in fiscal year 1999 will be derived from household characteristics data obtained from Quality Control reviews of fiscal year 1999 Food Stamp Program case files. This data will be available in July 2000, and will be reported in the Fiscal Year 2000 Annual Performance Report.

**Analysis of Results:** Data is not available to determine achievement. The necessary steps to restore eligibility to this population were achieved in fiscal year 1999; however, it is likely that the eligible legal immigrant participation for fiscal year 1999 will be below the fiscal year 1999 target, due largely to the fact that program participation as a whole and the percentage of eligible persons participating in the program have declined since the estimate was made in 1998.

**Current Fiscal Year Performance:** FNS will continue to provide information to eligible legal immigrants about their potential eligibility for the program through its ongoing Food Stamp Program outreach campaign. Other efforts to improve program access for all those eligible to receive Food Stamps will also contribute to this goal. The agency's performance goal in fiscal year 2000 is the same as its fiscal year 1999 goal.

**Program Evaluations:** In fiscal year 1999, FNS completed reports detailing the characteristics of food stamp households in each of fiscal years 1997 and 1998. In addition, *Who is Leaving the Food Stamp Program? An Analysis of Caseload Changes from 1994 to 1997* used food stamp quality control data from 1994 and 1997 to examine changes in the food stamp caseload characteristics. It found that the steepest declines in participation occurred among legal immigrants and unemployed childless adults, the two groups affected by new restrictions under welfare reform. However, most of the reduction occurred among the large group of cash welfare households.

A GAO audit report, *Food Stamp Program: Various Factors Have Led to Declining Participation*, examines reasons for the recent drop in FSP participation, and any problems that households with eligible children have experienced in obtaining food stamps. GAO found that the strong U.S. economy, tighter eligibility requirements, and welfare reform initiatives are the primary reasons for the decline in FSP participation, but also that some households, including those with children, have had problems obtaining food stamps because some State and local governments have gone farther than the law permits in limiting benefits.

FNS completed an evaluation of a series of Food Stamp Program client enrollment assistance demonstration projects authorized by the 1990 Farm Bill. The report, intended to examine and document the experience gained through the program of small-grant projects, identified a number of potentially-useful strategies for local program providers to use in reaching hard-to-serve clients.

<p><u>Increase availability of information for low-income Americans about nutrition, resource management and community nutrition education</u></p> <p>Increased number of households receiving FSP nutrition education through USDA Extension Service</p> <p><b>Target:</b> 123,500</p> <p><b>Actual:</b> Data not available</p>
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**1999 Data:** The number of households receiving nutrition education through the Extended Family Nutrition Education Program (EFNEP), under the Cooperative State Research, Education and Extension Service

(CSREES) during fiscal year 1999 will not be available until March 2000, and there is no means of developing a reliable estimate before that time. This data will be reported in the Fiscal Year 2000 Annual Performance Report. In addition, the agency has learned that data on Cooperative Extension Service nutrition education activities does not reliably reflect a complete measure of FSP nutrition education efforts, as a number of State agencies may provide some services directly, or work through other entities to provide nutrition education to recipients.

**Analysis of Results:** Data is not available to determine achievement.

**Current Fiscal Year Performance:** Because of continuing limits in funding for nutrition education at CSREES, FNS does not expect to reach the fiscal year 2000 targets by the end of the fiscal year. FNS plans to continue to pursue its efforts, on its own and with CSREES, to encourage and support States in providing nutrition education to Food Stamp recipients. The agency is continuing to augment and refine its guidance and technical support to encourage States to reach as many Food Stamp recipients as possible. Beginning in fiscal year 2001, States will be required to include collection of participation data as part of the annual plan for nutrition education activities they must submit to FNS to receive nutrition education funding.

**Program Evaluations:** In fiscal year 1999, FNS completed three reports based on data from the first Nationally-representative survey of Food Stamp participants. One report focused on food security and nutrient availability among Food Stamp participants. It found that food insecurity was higher, and income was lower, among participants than eligible non-participants. It also noted that while, on average, nutrient levels available to respondents exceeded the Recommended Dietary Allowances (RDAs), substantial percentages of households have nutrient availability below the RDAs.

FNS also completed a study of the potential impact of permitting the use of Food Stamps to purchase vitamin and mineral supplements. Among its findings were a determination that the overall pattern of vitamin and mineral intakes among those with low incomes is similar to that among higher-income individuals, and that Food Stamp participants generally consume more nutrients than other low-income people. It also found that current FSP policy creates no barriers to participants acquiring a nutritious diet. Based on these and other findings, the Department concluded that a policy change to permit the purchase of supplements with FSP benefits was not warranted.

<p><u>Increased percent of able-bodied adults without dependents (ABAWDs) offered work or training slots</u></p> <p><b>Target:</b> Establish baseline</p> <p><b>Actual:</b> Baseline (15%) established</p>
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**1999 Data:** The percentage of ABAWDs offered work or training slots was derived by dividing the monthly average number of slots offered based on information reported by States on their FNS-583, Employment and Training Reports, by the estimated monthly ABAWD population, which is based on 1996 Quality Control data that was adjusted statistically based on overall caseload adjustment between 1996 and 1999. The extrapolation from 1996 participant characteristics may tend to overestimate the ABAWD population, as there are strong reasons to believe that a range of factors are disproportionately discouraging ABAWDs from participating in the program. Fiscal year 1999 is the first year that States have been required to collect and report the number of work and training slots offered to ABAWDs; some appear to be having difficulty in tracking and reporting these numbers. Because the 1999 figure is a baseline, FNS has no point of comparison to help determine the reasonableness of the data.

**Analysis of Results:** A baseline was successfully established. The 15% level determined for fiscal year 1999 is consistent with anecdotal evidence that a relatively small proportion of ABAWDs are offered work and training opportunities. However, recent evidence indicates that provision of work opportunities is only one of a number of factors that influence program access for this population. Barriers to ABAWD participation may relate to the continued steep decline in the number of eligible people generally receiving food stamps. While part of this drop is due to the strength of the economy and the success of welfare reform, many eligible families have left the program, possibly because they are unaware of their eligibility, or are implicitly or explicitly discouraged from applying. These factors likely impact ABAWDs who meet

the work requirements and thus are eligible for benefits.

**Current Fiscal Year Performance:** FNS is continuing its efforts to provide work and training opportunities to ABAWDs in fiscal year 2000. In addition, FNS's ongoing efforts to provide program information to the eligible population more generally should also support program access for eligible ABAWDs.

**Program Evaluations:** A fiscal year 1999 GAO audit examined the impact of new employment and training requirements for able-bodied adults without dependents (ABAWDs) enacted under welfare reform. It showed that, in 42 states where data permitted an analysis, about 40 percent of participating ABAWDs were not required to work because they lived in areas with high unemployment or too few jobs. Analysis of 24 states found that about 17 percent of ABAWDs who were required to work in those states in order to receive food stamps took advantage of State-sponsored employment and training, representing about one-half of those offered such assistance by these states. It also found that most States spent less than half of the funding set aside for State employment and training programs for food stamp recipients.

The agency also prepared an evaluation of a demonstration project to determine the impact of relaxing the FSP vehicle asset test on program participation and benefit costs. The study provides strong evidence that a policy change to relax the vehicle asset limit would disproportionately benefit working poor families, providing valuable support for their transition to self-sufficiency.

As noted in the discussion of the performance goal related to legal immigrants, above, FNS completed reports in fiscal year 1999 detailing the characteristics of food stamp households in each of fiscal years 1997 and 1998, and an analysis, *Who is Leaving the Food Stamp Program?*, focused on caseload changes from 1994 to 1997. GAO also issued an audit report, *Food Stamp Program: Various Factors Have Led to Declining Participation*, examining reasons for the recent drop in FSP participation. Discussions of these evaluations can be found in the "Program Evaluations" section under the performance goal related to legal immigrants, above.

## Objective 1.2: Improved program integrity

### Key Performance Goals

#### Maintain payment accuracy in the delivery of Food Stamp Program benefits

FSP Payment Accuracy rate

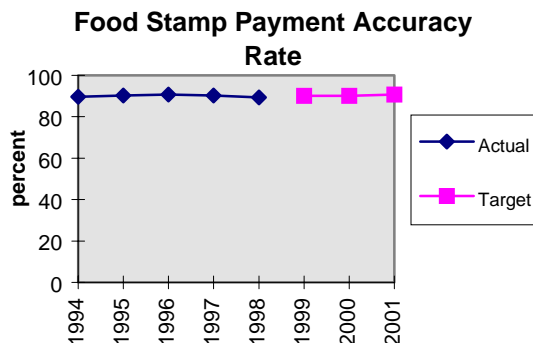
**Target:** 90.1%

**Actual:** Data not available

States qualifying for enhanced funding

**Target:** 8

**Actual:** Data not available



Year	Over-payment Rate	Under-payment Rate	Combined Payment Error Rate	Payment Accuracy Rate	Target
1994	7.7	2.7	10.3	89.7	
1995	7.3	2.4	9.7	90.3	
1996	6.9	2.3	9.2	90.8	
1997	7.3	2.5	9.8	90.3	
1998	7.6	3.1	10.7	89.3	
1999	Data not available	Data not available	Data not available	Data not available	90.1
2000					90.1
2001					90.8

**1999 Data:** The payment accuracy and enhanced funding States data results from the statistically valid FSP Quality Control (QC) system, which reviews approximately 50,000 randomly selected food stamp

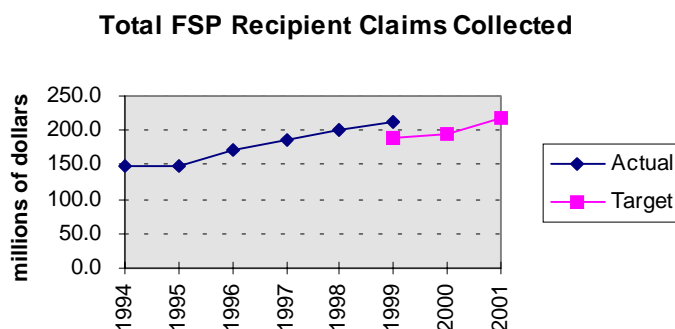
cases annually. A sub-sample of these cases is reviewed for accuracy by FNS personnel; as a result, the agency has high confidence in the quality and reliability of this data. fiscal year 1999 performance data comes from the review of fiscal year 1999 FSP food stamp cases and will not be available until May 2000, and will be reported in the Fiscal Year 2000 Annual Performance Report.

**Analysis of Results:** Data for this indicator is not available. Early indications are that while the payment accuracy rate will increase for fiscal year 1999 over fiscal year 1998, the program will not achieve its payment accuracy goal in fiscal year 1999 of 90.1%. In large measure, the agency attributes this anticipated lower-than-expected payment accuracy rate to the ongoing challenges of implementing welfare reform legislation, and levels of resources devoted to payment accuracy. The goal is primarily a measure of State agency performance in meeting Federal requirements regarding benefit issuance; good performance thus relies primarily on the commitment of effort by our State partners, though FNS works to encourage and support benefit accuracy through financial incentives and technical assistance to States.

**Current Fiscal Year Performance:** FNS anticipates that improvement in benefit accuracy beyond the fiscal year 1998 level (89.3%) will be achieved in fiscal year 1999, and further improved in fiscal year 2000. Based on early indications of fiscal year 1999 performance and the activities planned to support State improvement, FNS expects to meet or exceed the fiscal year 2000 payment accuracy target rate of 90.1%. The most important factor in improving performance in this area is the need for our State partners to continue and renew their commitment to utilize findings from the QC system to improve payment accuracy. To support State improvement, FNS will improve the accuracy and consistency of the QC measurement system; pursue QC liabilities, and settlements with States that use liability funds to improve program delivery; support States in improving accuracy with "best practices" information-sharing; and simplify program rules.

**Program Evaluations:** None conducted in fiscal year 1999.

Increase claims collections to recover program losses and deter recipients from accepting overpayments	
Percent of established claims collected	
<b>Target:</b>	58%
<b>Actual:</b>	69%
State-reported claims collected	
<b>Target:</b>	\$190 million
<b>Actual:</b>	\$213 million



Year	Claims collected (millions of dollars)	Target
1994	147.8	
1995	148.6	
1996	171.5	
1997	186.0	
1998	199.5	
1999	213	190.0
2000		193.6
2001		218.2

**1999 Data:** The claims establishment and collection data is taken from reports (FNS-209 Reports) submitted to FNS by States quarterly, and subject to review for consistency by FNS. The agency has good confidence in the quality and reliability of this data. Final fiscal year 1999 data will be available in late January 2000, and will be reported in the Fiscal Year 2000 Annual Performance Report.

**Analysis of Results:** The program exceeded FNS's performance goals for both the percentage of established claims collected, and the total dollar value of claims collected, demonstrating strong performance in recouping losses due to error.

**Current Fiscal Year Performance:** Given its performance in recipient claims collections during fiscal year 1999, FNS anticipates that the program will significantly exceed its target for fiscal year 2000.

**Program Evaluations:** FNS completed a Congressionally-requested study of a National database to track participation in Federal means-tested public assistance programs. The report found that while a National client database is technically feasible, and could be made cost-effective if developed for FSP and Temporary Assistance for Needy Families (TANF), such a system would likely increase Federal costs since recovered and avoided TANF benefits would accrue only to States. In addition, because it would accumulate information on a substantial portion of the American population, the database would raise serious privacy concerns.

USDA's Office of the Inspector General (OIG) issued a report on "Nationwide Cross State Computer Match" efforts in the Food Stamp Program, which evaluated States' efforts to conduct participation matches with adjoining States, to ensure that participants did not illegally join the program in more than one State. The report recommended that FNS establish a National network of eligibility that States could use to prevent dual participation, require States to enter into annual match agreements with adjoining States, and investigate and collect overpayments from those who collect benefits in more than one State.

The General Accounting Office (GAO) issued a number of audit reports related to the Food Stamp Program in fiscal year 1999. One such report investigated the extent to which individuals in long-term care facilities are improperly included in Food Stamp households. GAO found that such improper activity was relatively rare, and concluded that computer matching may not be practical for all States to identify such overpayments.

A GAO audit examining FSP operations found that more than 3,000 disqualified individuals in the four States it reviewed were improperly counted as members in households that received food stamp benefits during 1997. FNS noted the relatively small proportion of ineligible household members identified in the audit, but agreed with GAO's recommendations to improve information-sharing and promote timely disqualification of ineligible FSP participants by States.

Maintain baseline number of sanctions against violating stores

Number of sanctioned stores

**Target:** 1,201

**Actual:** 1,365

**1999 Data:** The data on the number of sanctioned stores for fiscal year 1999 comes from data directly entered by FNS employees into the agency automated system for tracking authorized retailer data (STARS), and is complete for fiscal year 1999. As this database is the administrative recordkeeping system for those FNS personnel responsible for initiating sanction actions against the stores, and is maintained by them, the data used represents a highly-reliable census of sanction activity.

**Analysis of Results:** FNS exceeded its performance goal for this objective. This level of sanction activity is intended to provide an ongoing deterrent against program violations among retailers, and is also targeted to the most significant program violations.

**Current Fiscal Year Performance:** For retailer sanctions we expect to meet or exceed our target for fiscal year 2000, maintaining the deterrent effect of FNS retailer monitoring efforts. While it is our hope that this activity will tend to reduce the overall level of retailer violations in the program, FNS intends to continue to refine its efforts to detect fraud and better target its investigative resources, in order to maintain its overall level of sanction activity.



**Program Evaluations:** A GAO report explored FNS's procedures for assessing and collecting fines levied against retailers for FSP violations. GAO concluded that while financial penalties are properly assessed, more aggressive debt collection practices could result in increased collections. Recognizing that some factors that contribute to low collection rates are inherent in the program's structure, FNS acknowledges the need to improve these practices, and is working to meet a number of administrative and due process requirements that will permit the agency to better implement Federal debt collection procedures.

Reduce percentage of authorized stores that do not meet regulatory eligibility requirements for type and amount of foods sold.
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<b>Target:</b> Establish baseline
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<b>Actual:</b> Baseline established (1.54%)
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**1999 Data:** The percentage of authorized stores that do not meet food stock eligibility requirements was obtained through a survey of a statistically-valid random sample of authorized stores reviewed by FNS personnel during fiscal year 1999. The results of the sample showed that 88.9% of the stores currently authorized meet the food stock requirements, and that only 1.54% do not. Determinations could not be made on approximately 9.6% of the stores selected in the sample due to factors such as failure to cooperate by store owners, seasonal businesses that were closed when the review was conducted, and stores being out of business. The agency's primary performance goal in this area is to minimize the percentage of stores authorized to accept food stamps which do not meet the regulatory requirements for type and amount of foods sold. Therefore, FNS revised the performance indicator to focus on the percentage of stores that can be projected from sampling as not meeting food stock regulatory requirements, eliminating those stores where determinations cannot be made reliably. The fiscal year 1999 figure represents a baseline for this indicator.

**Analysis of Results:** A baseline was successfully established. The 1.54% figure for fiscal year 1999 estimated by the survey indicates strong agency performance in monitoring and ensuring retailer compliance with food stock requirements.

**Current Fiscal Year Performance:** FNS's intention for fiscal year 2000 is to maintain the low level of non-compliance achieved in fiscal year 1999.

**Program Evaluations:** In fiscal year 1999, USDA's Office of Inspector General (OIG) issued an audit on "Adequacy of [FSP] Retailer Monitoring Efforts [in the] Midwest Region". OIG recommended that the agency develop a response process that employs more advanced technology to detect violating retailers more quickly, and remove them from the program promptly. FNS agreed with the recommendations, and is preparing to take corrective action in response.

**Objective 1.3:** Improved program efficiency

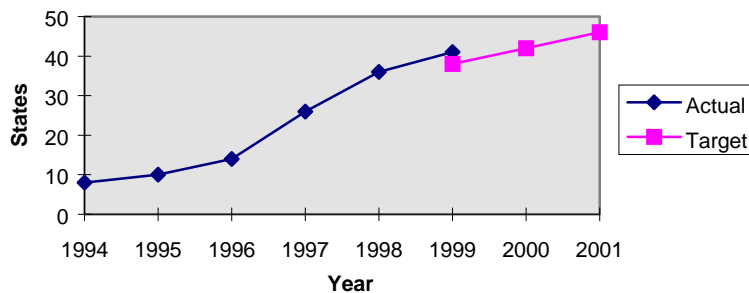
#### Key Performance Goals

Increase number of States/Territories issuing benefits by electronic benefits transfer (EBT)
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<b>Target:</b> 38
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<b>Actual:</b> 40
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**States Issuing FSP Benefits through Electronic Benefits Transfer**



Year	States using EBT	Target
1994	8	
1995	10	
1996	14	
1997	26	
1998	36	
1999	40	38
2000		42
2001		46

**1999 Data:** FNS has high confidence in the data reported for this objective. The number of States issuing benefits by EBT as of the end of the fiscal year is reported through a number of corroborating sources, which can be verified by FNS staff; for example, all States commence their EBT issuance efforts with pilot projects, and FNS personnel are directly involved in these projects.

**Analysis of Results:** The program exceeded this performance goal. This acceleration in EBT implementation reflects the efforts of FNS and its State partners to move quickly towards delivery of all FSP through EBT, the increasing availability and cost-effectiveness of EBT technology, and the acceptability to recipients of EBT as a mode of benefit delivery.

**Current Fiscal Year Performance:** Based on strong performance in fiscal year 1999, the FNS expects the program to exceed its goal for the number of States issuing benefits by EBT for fiscal year 2000.

**Program Evaluations:** In March, 1999, FNS prepared an interim report on the evaluation of smartcard technology—the use of cards with embedded computer memory—as a new means of delivering Food Stamp benefits electronically. Preliminary findings suggest that a smartcard system for Food Stamps can be implemented and operated effectively. The final evaluation, scheduled for completion in 2001, will compare the effectiveness of smartcard and on-line EBT systems in providing benefits accurately and reliably, while minimizing opportunities for fraud and other program abuses.

#### Simplification of program administrative requirements

Number of CFR pages of prescriptive requirements for the food stamp program

**Target:** 472

**Actual:** 431

Number of program waivers remaining (eliminated because they are no longer needed by States)

**Target:** 824

**Actual:** 960

**1999 Data:** The number of *Code of Federal Regulations* (CFR) pages devoted to Food Stamp Program rules comes from a physical count of the FSP related pages in the CFR published by the *Federal Register* each January. The number of State program waivers remaining as of the end of the fiscal year comes directly from a log maintained by FNS personnel, who are responsible for reviewing and approving waiver requests.

**Analysis of Results:** FNS succeeded in achieving one performance target under this goal, but failed to achieve another. Reductions in the total number of CFR pages devoted to the FSP, and in the number of waivers needed by States, were expected to result from the publication of rule changes that eliminated the need for waivers and regulatory text. Because most of the anticipated regulations, although written and cleared through the agency, did not complete the Departmental and OMB clearance process in time for publication during fiscal year 1999 the number of waivers needed as of the end of fiscal year 1999 actually increased over the fiscal year 1998 level. However, a number of rule changes that were completed in

fiscal year 1999 enabled FNS to meet its target for reducing the total number of FSP-related CFR pages.

**Description of Actions and Schedules:** FNS will continue to make progress toward reducing State program waivers in fiscal year 2000. The agency expects to publish 9 final regulations in fiscal year 2000 that will reduce the need for State waivers, which should permit us to reach our fiscal year 1999 goal before the end of fiscal year 2000.

**Current Fiscal Year Performance:** While we expect to achieve our fiscal year 1999 waiver reduction goal before the end of fiscal year 2000, a number of other significant rules originally intended for final publication by the end of fiscal year 2000 will likely not be completed until fiscal year 2001; once these are published, we should accomplish our fiscal year 2000 target of reducing program waivers to 800.

In addition, while we expect to publish regulations in fiscal year 2000 that will reduce the total number of CFR pages covering Food Stamp Program requirements, most are being published after December 1999. These changes will therefore not be reflected in the January 2000 CFR, which is the only available source of data for this performance indicator. As a result, we do not expect to achieve the target measure of 354 CFR pages of Food Stamp Program rules by January 2000, but do expect it will be achieved in the January 2001 CFR because of fiscal year 2000 accomplishments.

**Program Evaluations:** A GAO audit exploring the use of the Simplified Food Stamp Program under welfare reform found that few States were likely to use the program. The report identifies the number of States that have adopted or are planning to adopt the Simplified Food Stamp Program, describes the concerns that may be preventing other States from adopting the simplified program, and examines the impacts that the simplified program may have on households' eligibility and benefits. It concludes that a number of provisions in the program may discourage its adoption by States.

<p><u>Complete a demonstration of using EBT technology for food purchases at farmers' markets</u></p> <p><b>Target:</b> Complete demonstration</p> <p><b>Actual:</b> Demonstration completed</p>
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**1999 Data:** Completion of this demonstration was verified by receipt by FNS of the completed evaluation report of the project.

**Analysis of Results:** The demonstration was completed as intended, achieving the performance goal. The evaluation of the project concluded that a number of wireless technologies make EBT equipage in farmers' markets and mobile retailers technically feasible, at costs for the limited number of sites involved of approximately two to three times that of traditional EBT equipage. The report recommends that a modular approach permitting a variety of options using a standard data interface be used to allow markets to tailor their EBT interface to local conditions and availability, and notes that other systems, including "non-technological" approaches, may also be useful and cost-effective for some retailers.

Notably, the project was such a success that, even following completion of the demonstration, the market participating in the demonstration continues to accept EBT-based food stamp benefits.

**Current Fiscal Year Performance:** There is no fiscal year 2000 target for the farmers' market demonstration because it was completed in fiscal year 1999.

**Program Evaluations:** In addition to the completion of the evaluation report on the use of EBT technology for food purchases at farmers' markets (see "Analysis of Results", above), a number of other evaluations related to program efficiency were completed in fiscal year 1999.

As noted above, three new reports were released in fiscal year 1999 presenting findings from the first Nationally-representative survey of Food Stamp Program (FSP) participants and potential participants. One report focused on low-income households' access to and satisfaction with food retailers. It found that most low-income households rely on supermarkets as their source of food. Many, however, did not shop in their own neighborhoods, citing high prices and a lack of stores in the area as reasons to shop

elsewhere. Most relied on automobiles—either their own or those of friends and relatives—as the form of transportation they use for food shopping.

Another examined participants' satisfaction with FSP customer service, along with the program's accessibility and costs of participating. The study found that the typical FSP client is quite satisfied with the program services that he or she receives, although a minority expressed some dissatisfaction with the program. It also showed that many nonparticipating households estimated to be eligible for the program were unaware of their potential eligibility; others who believed that they were eligible cited the administrative burdens of applying, and the sense that they did not need benefits, as reasons for nonparticipation. Finally, the survey found that clients incur modest but significant costs in meeting program requirements, and that a sizable minority experience stigma associated with the program.

## **Goal 2: Healthful Diets for School Age Children**

**Objective 2.1:** School meals are consistent with the *Dietary Guidelines for Americans* and the Recommended Dietary Allowances (RDAs)

### **Key Performance Goals**

<u>Increased access to nutritional information and expertise for school food service personnel</u>	
Number of schools receiving Food Buying Guide	
<b>Target:</b>	19,000
<b>Actual:</b>	None
Number of National Food Service Management Institute (NFSMI) technical assistance site visits	
<b>Target:</b>	45
<b>Actual:</b>	47

**1999 Data:** Data related to distribution of the Food Buying Guide and technical assistance site visits by National Food Service Management Institute and the use of nutrition education resource material is obtained and monitored under contracts between FNS and other entities; FNS considers this data quite reliable.

**Analysis of Results:** FNS did not meet its goal of printing and distributing 19,000 copies of the Food Buying Guide; problems with finalizing and testing the Guide have delayed the distribution process. FNS now expects to have the Guide completed in the latter part of fiscal year 2000 and distributed in early fiscal year 2001.

FNS exceeded by two its goal of forty-five technical assistance visits to local schools conducted by the National Food Service Management Institute during fiscal year 1999. This level of technical assistance represents an important part of the FNS effort to support schools participating in the NSLP in providing healthful, appealing school meals.

**Description of Actions and Schedules:** FNS is working to complete the testing and other tasks necessary to complete and distribute the Food Buying Guide under contract with a Department of Defense research facility. Monitoring of the work being done under that contract indicates that it will be completed in a timely manner; FNS expects to make the Guide available on its website in late fiscal year 2000. However, previous delays will result in FNS being unable to distribute printed copies of the Guide to 19,000 school food authorities until early fiscal year 2001.

**Current Fiscal Year Performance:** As noted above, FNS intends to complete distribution of the Guide to 19,000 schools, achieving its fiscal year 1999 performance goal, in late fiscal year 2000. The agency hopes to distribute the Food Buying Guide to 50,000 schools by November 2000, achieving its fiscal year 2000 goal in early fiscal year 2001.

No additional activities NFSMI technical assistance site visits are planned in fiscal year 2000.

**Program Evaluations:** The *School Food Purchase Study* examined the foods being purchased by school food authorities (SFAs). The study's report compares results with those from a comparable study that was conducted in the 1980's. The comparison indicates a shift in the market basket of foods that SFAs are purchasing for their meals programs toward more fresh fruits and vegetables and away from some fats and oils. The comparison also indicates that the set of food items offered to schools as USDA commodities is now more numerous and diverse than in the 1980's and includes more fruits and vegetables.

(FNS has discontinued its performance goal and measure regarding "[i]mproved skill level of school personnel"; see Appendix A for details.)

<u>Full implementation of School Meals Initiative monitoring by the States</u>	
Number of School Meal Initiative Monitoring reviews conducted by State Agencies	
<b>Target:</b>	3,200
<b>Actual:</b>	2,937
<u>Increased number of schools which meet the <i>Dietary Guidelines</i></u>	
Number of SFAs reviewed which require no corrective action to meet the <i>Dietary Guidelines</i>	
<b>Target:</b>	320
<b>Actual:</b>	777

**1999 Data:** Data related to School Meal Initiative monitoring by States is collected and compiled, and reviewed generally for consistency by FNS. However, the agency's ability to ensure complete and accurate data reported by State agencies on local school compliance with program nutritional requirements is limited by the fact that data collection is voluntary, informal, and without standardized procedures. These limitations result from the strong opposition from the school food service community to a more formal data collection process.

**Analysis of Results:** Data collected shows that FNS's quantitative target for monitoring reviews by State agencies was not met, but that the number of school food authorities (SFAs) reviewed that required no corrective action to meet the Dietary Guidelines significantly exceeded the target level. FNS's analysis suggests that the data reflects substantial achievement of the performance goal for fiscal year 1999, but also highlights the limitations of the quality and consistency of the data reported by States in this area.

In its Fiscal Year 1999 Annual Performance Plan, FNS estimated that State agencies would conduct School Meals Initiative reviews of 3,200 school food authorities (SFAs), and that approximately 320 would be in compliance with program meal requirements (i.e., would not require corrective action plans to deal with deficiencies uncovered during the review). This estimate represented one-fifth of all SFAs—States are required to review all SFAs over a five-year period—and FNS's expectations that about 10 percent would be in compliance. The low estimate of expected compliance reflected the likelihood that, notwithstanding the legislative mandate for all schools to be in compliance by School Year 1996-97, schools would initially have difficulty meeting this goal.

The data collected on this measure shows that 2,937 reviews were conducted. While falling short of the quantitative target in the fiscal year 1999 plan, this figure is quite satisfactory, given that States have no minimum requirement for reviews in any given year, and that three States did not report review data (reporting was voluntary).

The number on reviews reported as in compliance (777) is nearly two and one-half times the number projected. While FNS may have underestimated the ability of schools to come into compliance, this figure, and the nature of the data collection, suggests that additional FNS oversight of State and local program operations is required to evaluate the fiscal year 1999 numbers.

**Current Fiscal Year Performance:** Current year compliance by schools with program nutrition requirements could once again exceed FNS' estimates. However, as noted above, additional oversight is

needed; it may be premature to expect this level of performance as operations are monitored more closely.

**Program Evaluations:** None conducted in fiscal year 1999.

**Objective 2.2:** Children make food choices for a healthy diet

### Key Performance Goal

Increased use of nutrition education resource materials and messages by State and school personnel
Average monthly inquiries to Healthy Meals Resource System by State and school personnel
<b>Target:</b> 1,950
<b>Actual:</b> 4,180

**1999 Data:** Data reported to FNS by NAL reflects several activities carried out by NAL to respond to the information needs of school food service personnel. It includes use of various information sections found on the Healthy Meals Resource System Web page, which is operated by NAL, as well as a document lending system.

The Healthy Meals Resource System is operated under a cooperative agreement with the National Agricultural Library (NAL); FNS' oversight of this agreement ensures the quality of the data reported.

**Analysis of Results:** The programs significantly exceeded FNS's performance target under this goal. In fiscal year 1997, the base year for collecting and reporting this information, information was provided to or obtained by individuals 1,770 times in an average month. For fiscal year 1999, FNS anticipated an approximate growth in this number of 10 percent.

Actual data for fiscal year 1999 show an average monthly total of 4,180. FNS' analysis of this data shows a three-fold increase in the use of the Healthy Meals Resource System Web page. The likely explanation for this increase in usage is the widespread growth in World Wide Web access for FNS's program partners, with resulting improvements in convenience and efficiency for those who previously accessed the System through its lending library.

**Current Fiscal Year Performance:** Based on its fiscal year 1999 experience, FNS expects continued growth in the use of NAL services beyond that initially projected for fiscal year 2000.

**Program Evaluations:** The *Evaluation of the Team Nutrition Pilot Communities* reports on a community based approach to supporting the new nutritional standards for the school lunch program and encouraging children to make healthy food choices. The evaluation examined the efforts of seven school districts to implement this community approach, which consist of school-centered nutrition promotions that are reinforced by community partners. The evaluation found that Team Nutrition modestly increased the skill-based knowledge and motivation to eat healthier. It also found that students showed some, but not consistently, positive impact across the different measures of eating behavior.

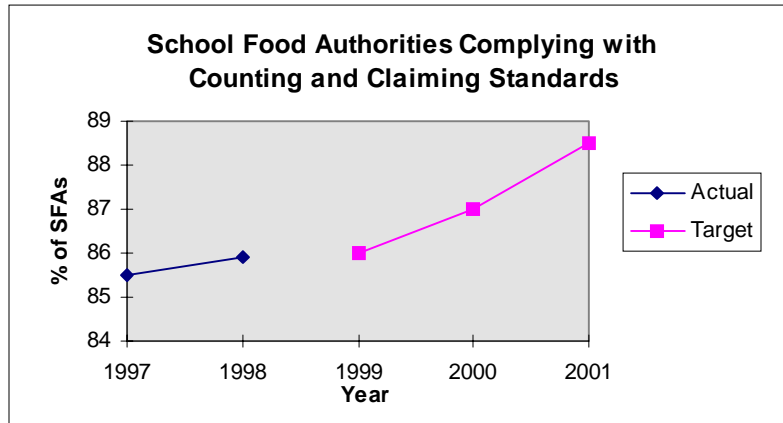
A study of the Nutrition Education and Training Program (NET), *NET Activities Inventory*, reviewed the fiscal year 1995 State plans that States submitted to FNS and reported results of a 1997 census of State NET coordinators. The report covers topics in program administration and service delivery.

**Objective 2.3:** Improved program integrity

### Key Performance Goal

**Increased compliance with program regulations regarding counting and claiming meals**

Percent of SFAs in compliance with Performance Standard 1

**Target:** 86%**Actual:** Data not available

Year	% of SFAs in Compliance	Target
1997	85.5	
1998	85.9	
1999		86
2000		87
2001		88.5

**1999 Data:** FNS utilizes its Coordinated Review Effort (CRE) to assess compliance by local schools participating in the National School Lunch and School Breakfast Programs with Performance Standard 1 of the Department's Assessment, Improvement and Monitoring System, which measures schools' performance in correctly approving free and reduced price meal applications and accurately and properly reporting meal counts.

CRE Data is collected by State agencies and forwarded to FNS, where it is reviewed and analyzed. While FNS procedures provide extensive edit-checks on this data, its reliability depends upon the State agencies' ability to provide effective training, to allocate resources efficiently, and to impose corrective actions to resolve audit findings and reports. These factors, in turn, are affected by FNS' ability to oversee States' monitoring activity; in recent years, the agency has been hampered in providing oversight by inadequate staff resources for this purpose.

Because of the time required for States to assemble and report fiscal year 1999 data and for FNS to evaluate this data, final data to determine whether the goal of 86% compliance with Performance Standard I has been met will not be available until 3<sup>rd</sup> Quarter, fiscal year 2000. This will be reported in the Fiscal Year 2000 Annual Performance Report.

**Analysis of Results:** Data is not yet available to assess fiscal year 1999 performance related to this goal. It is notable that preliminary analysis of fiscal year 1998 data for this goal indicates an 85.9 percent compliance rate, suggesting that the programs made substantial progress toward achieving the fiscal year 1999 performance target in fiscal year 1998.

**Current Fiscal Year Performance:** Since an assessment of fiscal year 1999 activity under this goal is not yet possible, and results for fiscal year 2000 will not be available until late fiscal year 2001, FNS cannot yet project current year performance under this goal.

**Program Evaluations:** None conducted in fiscal year 1999.

**Goal 3:** Improved Nutritional Status and Health of Low-income Women, Infants and Children (WIC Program)

**Objective 3.1** Improved program efficiency and integrity

## Key Performance Goals

### States adopt initiatives to contain WIC food costs

Food cost per participant

**Target:** \$32.63

**Actual:** Data not available

**1999 Data:** Data on program participation and expenditures is compiled from State agency reports, entered into FNS data collection systems at the regional level, and checked for consistency by regional and headquarters staff. WIC participation and expenditure data for fiscal year 1999 will not be final until March, 2000, and will be reported in the Fiscal Year 2000 Annual Performance Report.

**Analysis of Results:** Data on food costs is not yet available.

**Current Fiscal Year Performance:** Since data on fiscal year 1999 performance is not yet available, FNS is unable to assess how the impact of performance in that year will impact on fiscal year 2000 performance. However, the agency is continuing its efforts to encourage States to contain WIC food costs in fiscal year 2000. FNS developed an interim final rule on infant formula rebates, now being finalized, that strengthens current requirements to use a single-supplier competitive method to provide a rebate for infant formula. It also addresses new cost containment requirements that respond to recent changes in the infant formula industry, optimizes competition in the rebate contract arena, and requires State agencies to award infant formula rebate contracts based on lowest net price.

**Program Evaluations:** None related to this performance goal were conducted in fiscal year 1999.

### Improved vendor selection

Number of violations

**Target:** 6,167

**Actual:** Data not available

**1999 Data:** WIC vendor data for fiscal year 1999 is due from States to FNS by January 31, 2000; finalized data should be available by the end of March 2000, and will be reported in the Fiscal Year 2000 Annual Performance Report. Data collection for The Integrity Profile (TIP) report for fiscal year 1998 was completed during fiscal year 1999.

**Analysis of Results:** Data is not available.

**Current Fiscal Year Performance:** Since data on fiscal year 1999 performance is not yet available, FNS is unable to assess how the impact of performance in that year will impact on fiscal year 2000 performance. However, regulations have been developed to improve the vendor management process, including vendor selection, training, high-risk identification and monitoring, that should have a significant positive impact on program performance related to WIC vendor selection and management.

**Program Evaluations:** A GAO audit on WIC program administration concluded that USDA should strengthen WIC program vendor, participant, and employee oversight to control and prevent fraud and abuse. FNS recognizes the need to strengthen WIC program management, and has taken important steps to improve program oversight by State and local WIC agencies, to make administrative changes that better manage the program and prevent problems, and to collect more complete data on program abuse.

### EBT implemented in additional States



Number of States initiating EBT pilot projects for WIC <b>Target: 4</b> <b>Actual: 1</b>
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**1999 Data:** The number of States initiating electronic benefits transfer (EBT) pilot projects for WIC is readily available to FNS, since the agency works on a continual cooperative basis with State agencies on these projects.

**Analysis of Results:** The program did not meet FNS's performance target of four States operating a WIC EBT pilot project in fiscal year 1999. Development and implementation of EBT for WIC has progressed more slowly than initially anticipated, because the smartcard technology required to support the program's administrative requirements remains costly.

**Description of Actions and Schedules:** FNS is encouraging States to implement EBT at a rate consistent with technological development, to prevent excessive costs that could result from the use of technology not yet widely disseminated in the marketplace. FNS has revised its performance targets in its fiscal year 2001 Performance Plan to reflect this new schedule; the agency now expects to reach its initial fiscal year 1999 target in fiscal year 2001.

Nonetheless, FNS continued efforts to support WIC EBT implementation consistent with this new schedule. In fiscal year 1999, FNS established a management information systems (MIS) workgroup, including representatives of FNS, State agencies, and the National Association of WIC Directors (NAWD), to develop a long-range strategic plan for technology, with EBT as a component. The agency also began revising WIC's Functional Requirements Document (FReD) to update minimum EBT requirements for States to use in developing systems. Special EBT infrastructure grants were provided to support a number of State projects now underway or being planned.

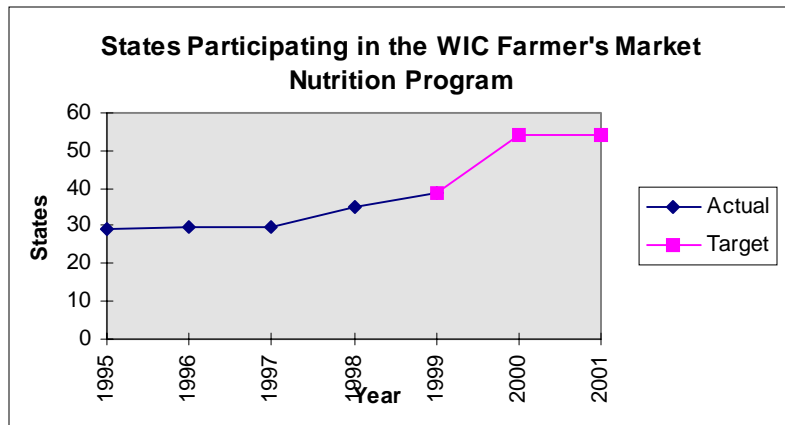
**Current Fiscal Year Performance:** As noted above, FNS now expects to reach its initial fiscal year 1999 target for implementation of WIC EBT in fiscal year 2001.

**Program Evaluations:** None conducted in fiscal year 1999 related to this performance goal.

**Objective 3.2:** Improved dietary practices of participant women and children

### Key Performance Goals

<u>Increased implementation of National Breastfeeding Campaign</u> Number of States that implement some or all of the campaign <b>Target: 25</b> <b>Actual: 54</b> Increased breastfeeding rate <b>Target: 42%</b> <b>Actual: No data available for fiscal year 1999</b> <u>Increased number of State agencies participating in the Farmers' Market Nutrition Program</u> <b>Target: 39</b> <b>Actual: 39</b>
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Year	FMNP States	Target
1995	29	
1996	30	
1997	30	
1998	35	
1999	39	39
2000		54
2001		54

Two performance measures under Objective 3.2, related to the review of FNS WIC materials reviewed to ensure consistency with current nutrition science, and to development of an annual enhanced sample in the Continuing Survey of Food Intakes of Individuals (CSFII) to assess the diets of the WIC population, were discontinued. See Appendix A for more information.

**1999 Data:** Information on breastfeeding promotion activities is derived from State reports collected and consolidated by FNS.

Data on breastfeeding initiation is derived from the "Study of WIC Program and Participant Characteristics," a census of WIC participants conducted every two years; data is thus collected for even years only. Fiscal year 1998 data will be finalized during the second quarter of fiscal year 2000, and will be reported in the Fiscal Year 2000 Annual Performance Report.

Data on the number of States participating in the WIC Farmers' Market Nutrition Program is derived from State agency reports to FNS, and verified through administrative records.

**Analysis of Results:** The program significantly exceeded FNS's goal for at least 25 State agencies and Indian Tribal Organizations to use the materials developed by FNS through the WIC National Breastfeeding Promotion *Loving Support* Campaign as the centerpiece of their breastfeeding promotion efforts. At least 54 State agencies and Indian Tribal Organizations are now using these materials, demonstrating their high quality and the agency's success in disseminating them.

The rate of breastfeeding among WIC participants cannot be assessed in fiscal year 1999, as breastfeeding data for that year is collected in even years only.

The program met FNS's goal of securing the participation of 39 States in the Farmers' Market Nutrition Program in fiscal year 1999.

Taken together, the program performance indicators related to this goal show that two key efforts to improve the dietary practices of the WIC population—promotion of breastfeeding among WIC mothers and increased access to the WIC Farmers' Market Nutrition Program—were advanced significantly in fiscal year 1999.

**Current Fiscal Year Performance:** While FNS has no fiscal year 2000 performance target related specifically to breastfeeding promotion efforts, it is continuing these efforts to promote breastfeeding in WIC that should have a positive impact on the breastfeeding initiation rate, which will be assessed in fiscal year 2000. The agency:

- is redesigning, translating and pretesting *Loving Support* materials for Spanish-speaking WIC clients;
- is printing and distributing Breastfeeding Promotion Physician's Kits to key physicians' groups;
- continuing to develop materials directed toward the African-American population—a group with lower

breastfeeding rates than other parts of the WIC population—that focus on promoting breastfeeding awareness and support, and to strengthen the role of fathers within the family context; and

- made special project grant funds available to Mississippi to evaluate the effectiveness of the *Loving Support* campaign in increasing breastfeeding incidence and duration.

Currently, FNS has no new applications from States to participate in FMNP in fiscal year 2000. The agency will continue to promote FMNP through a variety of means, including the Secretary's Interagency Committee on Small Farms. At this point, it is uncertain that the program will achieve FNS's goal of all States participating in FMNP in fiscal year 2000.

**Program Evaluations:** The *WIC Nutrition Education Assessment* project investigated the relationship of WIC nutrition education and participants' nutrition related knowledge, attitudes, behavior, and satisfaction with services. The study found that the nutrition education conducted at all sites met minimum legislative and regulatory nutrition education requirements, and that participant satisfaction with WIC nutrition education was generally high. In general, there were significant improvements in knowledge, attitudes, and behavior within sites during the course of pregnancy; the assessment found some evidence that knowledge gains may be attributable to WIC, but that improvements in attitudes and behaviors were not sustained postpartum.

**Objective 3.3:** Improved nutritional qualifications of State and local WIC staff

#### Key Performance Goals

<u>Increased recruitment and retention of qualified nutrition staff in the WIC Program</u>	
	Percent of WIC staff who are registered dietitians or RD-eligible
	<b>Target:</b> 48%
<b>Actual:</b> Data not available	
	Percent of WIC staff who are registered dietary technicians
	<b>Target:</b> 2%
<b>Actual:</b> Data not available	

A performance measure under Objective 3.3 related to training opportunities for State and local WIC staff was discontinued. See Appendix A for more information.

**1999 Data:** Data on recruitment and retention of qualified nutrition staff in the WIC Program will be collected through a survey of State WIC Programs, including funding levels and staffing credentials, to be conducted by the Association of State and Territorial Public Health and Nutrition Program Directors (ASTPHND). ASTPHND now conducts the survey less frequently than previously; data collection for the next survey should be complete in December 1999, and a final report will be issued after September 2000.

**Analysis of Results:** Data not available.

**Current Fiscal Year Performance:** During fiscal year 1999, FNS WIC program staff began a major effort, working with the Society for Nutrition Education (SNE), NAWD, and others, to develop strategies to strengthen and improve nutrition education in the WIC Program. FNS intends to review Federal WIC nutrition services requirements, facilitate communication among partners, sponsor WIC staff training opportunities, and market and promote effective WIC nutrition education strategies. This effort, which will continue through fiscal year 2000, will improve nutrition education to help FNS meet the needs of State and local WIC staff, in an interactive, efficient, effective, and relevant manner, which is compatible with the clinic environment and feasible within the constraints on State and local staff time, skills, and resources.

**Program Evaluations:** The *WIC Nutrition Education Assessment* project investigated the quality of nutrition education services in WIC. (See "Program Evaluations under Objective 3.2, above, for more information on the *Assessment*.)

**Objective 3.4:** Improved health outcomes of program participants**Key Performance Goals**

<u>Increased consistency in the use of scientifically sound nutrition risk criteria among States</u>	
Number of WIC State agencies using consistent risk criteria promulgated by FNS and the National Association of WIC Directors	
<b>Target:</b> 70	
<b>Actual:</b> 88	
<u>Expanded WIC services, service referrals, and coordination at Community Migrant Centers and Indian Health Service (IHS) facilities</u>	
Percent of Community Migrant Health Centers (MHC) and IHS clinics co-located with WIC	
<b>Target:</b> 5%	
<b>Actual:</b> Data not available	
<u>Increased immunization of WIC pre-school children</u>	
Immunization rate of WIC pre-school children for DPT	
<b>Target:</b> 95%	
<b>Actual:</b> Data not available	
Immunization rate of WIC pre-school children for OPV	
<b>Target:</b> 88%	
<b>Actual:</b> Data not available	

**1999 Data:** Data on the number of States utilizing consistent risk criteria was compiled by FNS from State agency reports, and verified through FNS review of WIC State agency Plans.

Data on expanded WIC services, service referrals, and coordination at Community Migrant Centers and Indian Health (IHS) facilities will be derived from the "Study of WIC Program and Participant Characteristics, 1998," which will be finalized during fiscal year 2000, as well as information received from our partners in DHHS. This data will be reported in the Fiscal Year 2000 Annual Performance Report.

Immunization data for fiscal year 1999 is derived from reports by the Centers for Disease Control and Prevention (CDC) on its National Immunization Survey. Prior to fiscal year 1999, the Survey provided data on the immunization rates for low-income children in general. Beginning with fiscal year 1998 data collection, CDC (at the request of FNS) incorporated specified WIC participation questions in the survey. Data for fiscal year 1999 should become available in fiscal year 2000, and will be reported in the Fiscal Year 2000 Annual Performance Report.

**Analysis of Results:** The program exceeded FNS's goal for 70 States to use the consistent risk criteria promulgated by FNS and NAWD. All 88 WIC State agencies now report using these criteria. This represents a critical step in ensuring that the WIC program is carefully targeted to those who will truly benefit from the program, now matter where they live across the country.

Data on expanded WIC services, service referrals, and coordination at Community Migrant Centers and Indian Health (IHS) facilities is not yet available.

Fiscal year 1999 data on immunization of pre-school children in WIC is not yet available. However, it is notable that fiscal year 1998 data from the Centers for Disease Control (CDC) showed that 85% of WIC participants under the age of 2, and 81% of WIC children overall, have received a WIC referral to immunization services.

**Current Fiscal Year Performance:** FNS expects all WIC State agencies to continue using the consistent risk criteria promulgated by FNS and NAWD in the current fiscal year, meeting the agency's fiscal year 2000 goal.

In the area of expanding WIC services, referrals and coordination, FNS completed and finalized a Best

Practices guide during fiscal year 1999; it will be printed and distributed during fiscal year 2000. WIC staff coordinate efforts and resolve policy issues with such organizations and programs as Head Start, Healthy Start, Medicaid, NAWD, and the Infant Mortality Commission. WIC has worked with HHS on the Children's Health Insurance Program, developing strategies for outreach and referral that were implemented during fiscal year 1999. Technical assistance was also provided to the Department of Defense (DoD), in its effort to determine the feasibility of implementing a WIC-like program for its personnel stationed overseas. Also during fiscal year 1999, FNS WIC staff served on the Surgeon General's Oral Health Committee, which was established in fiscal year 1999 and will continue working in fiscal year 2000.

FNS participated in a two-day meeting in November 1998 with ASTHO, NAWD, AAP and CDC, to develop a strategic plan for increased immunization rates. Work based on tasks identified in this strategic plan will be further carried out during fiscal year 2000.

**Program Evaluations:** The Review of the Nutritional Status of WIC Participants evaluated the nutritional adequacy of the WIC food packages in light of current dietary guidance. The study found that while infants and children appear to achieve good overall nutrient intake, women's diets need improvement.

A GAO audit, *Lead Poisoning: Federal Health Care Programs Are Not Effectively Reaching At-Risk Children*, found that children served by "Federal health care programs," including WIC, remain at significant risk for elevated blood lead levels. It noted that, despite Federal policies, most children in or targeted by Federal health care programs have not been screened, and that screening often does not occur because screening policies are largely not monitored at the Federal and State levels. Among other recommendations, the report suggests that HHS consider a formal agreement for coordination of lead screening and treatment activities with those of the WIC program.

#### **Goal 4: Improved Nutritional Status of Children in Day-Care Settings (CACFP)**

##### **Objective 4.1: Improved nutritional quality of CACFP meals**

##### **Key Performance Goal**

Improved nutrition knowledge of CACFP providers
Number of day care center providers receiving nutrition education materials
<b>Target:</b> 30,000
<b>Actual:</b> 42,500

**1999 Data:** Data related to distribution of CACFP recipes and is obtained and monitored under contracts between FNS and the National Technical Information Service of the Department of Commerce; FNS considers the data quite reliable.

**Analysis of Results:** FNS achieved its performance goal in fiscal year 1999. Distribution of the recipes was made in March 1999 to all child care centers participating in the CACFP, as well as to FNS regional offices and State agencies. The total number distributed was 42,500, reflecting distribution to all participating centers, as well as additional copies sent to administering agencies to be used as necessary.

**Current Fiscal Year Performance:** Universal availability of this technical assistance resource should contribute to the improved quality of meals served in CACFP child care centers in fiscal year 2000 and beyond.

**Program Evaluations:** None conducted related to this Objective in fiscal year 1999.

##### **Objective 4.2: Improved program integrity**

##### **Key Performance Goal**

Better targeted and higher quality program reviews of sponsors and providers by State agencies

Number of reviews conducted

**Target:** To be determined**Actual:** Data not available

**1999 Data:** Data on the number of CACFP reviews conducted is not available. Implementation of the reporting mechanism initially planned as part of an enhanced State agency review system was suspended in favor of a comprehensive and aggressive effort to improve CACFP management through training, technical assistance, and increased program oversight. The agency has revised its indicators for improving CACFP management in the Fiscal Year 2001 Annual Performance Plan; FNS will begin reporting based on the new indicators in the Fiscal Year 2001 Annual Performance Report. For fiscal year 1999, FNS describes performance in this area in the Analysis of Results section below.

**Analysis of Results:** While data related to the performance indicator was not collected as originally planned, FNS has worked vigorously during fiscal year 1999 to improve CACFP management, updating and enhancing its strategies to take advantage of increased funding earmarked for regional CACFP oversight activities, and development by the FNS Management Improvement Taskforce of new training and technical assistance materials designed to help State agencies improve their administration of the CACFP. FNS has delivered training using these materials to its regional offices. As the new strategy was being developed and implemented, FNS recognized that the reporting system it had originally planned was a potentially inefficient method for monitoring State and local performance. The agency is now pursuing other avenues for improving program oversight that make better use of scarce resources.

**Description of Actions and Schedules:** FNS will complete training of all State agencies by January 15, 2000. In addition, it will publish regulations implementing an enhanced sponsor approval and oversight system. It will develop guidance and training materials for States to use in training their sponsors, and expect State agencies to conduct training of sponsors using this material during fiscal year 2000. FNS will conduct CACFP-focused management evaluations of selected State agencies in each of the FNS regions as part of its overall management evaluation strategy.

**Current Fiscal Year Performance:** FNS believes that the intensive training of CACFP administrators begun in fiscal year 1999 to be completed in fiscal year 2000, as well as the greatly enhanced Federal oversight of State and local program operations will, even in the short term, lead to significant improvements in CACFP management. As this effort continues, and the most critical components of effectively-managed CACFP sponsors and sites are refined and disseminated, State agencies will be able to conduct better targeted and higher quality program reviews of sponsors by State agencies.

**Program Evaluations:** In fiscal year 1999, USDA's Office of the Inspector General (OIG) released an audit of CACFP as part of a Presidential Initiative known as Operation Kiddie Care. The audit, which was initiated after requests by FNS and State agencies administering CACFP to investigate a number of apparently seriously deficient sponsors, describes a wide range of program abuse by CACFP sponsors. It argues that, by placing primary control of the program in the hands of sponsors the program structure facilitates program abuse. GAO recommends that FNS explore alternative methods of delivering meal programs to children and adults, and that it undertake a range of strategies to improve sponsor management and oversight. FNS, which has long recognized and sought to correct management problems in CACFP, accepted many of the recommendations in the report, and (as described above) continues to implement its comprehensive multi-year strategy to improve CACFP management.

**Objective 4.3:** Improved program targeting to, and access by, low-income pre-school children

**Key Performance Goal**Increased participation of low-income children in CACFP

Percent of CACFP children from low-income households

**Target:** 72%**Actual:** 71.5% data preliminary; final is expected  $\pm$  5%

**1999 Data:** Data reported here are preliminary reports based on State-reported data. Final data will be available in Spring, 2000, and will be reported in the Fiscal Year 2000 Annual Performance Report.

Because FNS does not collect data on income level of children participating in the CACFP, it is using meal reimbursement data, to correlate to meals served to needy children, as the best proxy available for the numbers of children in these categories. For a portion of this data, measuring meals served in family day-care homes, it is unclear how precisely the reimbursement level correlates with low-income participation. An evaluation is underway that will clarify the validity of this data as a proxy measure for this indicator; in the event that it is not, FNS will explore potential refinements or alternative approaches that improve our ability to assess performance in this area.

**Analysis of Results:** The preliminary data shows that the program met FNS's target under this performance goal, within the margin of error inherent in the data. This result suggests the changes in CACFP resulting from welfare reform, and the implementation of the tiering system in family day care homes, have resulted in better targeting of benefits to low-income children essentially as expected.

**Current Fiscal Year Performance:** FNS is expecting that the effects of tiering and welfare reform will be continue to influence participation trends in fiscal year 2000 and result in a further, albeit small, increase in the percentage of needy children participating.

**Program Evaluations:** In fiscal year 1999, the Economic Research Service (ERS) completed the *Family Child Care Homes and the CACFP: Participation After Reimbursement Tiering* interim report. This study, mandated by the 1996 welfare reform law, examines the effects on CACFP homes of the tiering reimbursement system created under welfare reform. The interim report finds that after the implementation of tiering, homes' participation in CACFP dropped more than the trend in earlier years predicted. The report cautions, however, that this period was turbulent for day care homes and that the exact role of tiering in the observed decline is unknown.

**Goal 5:** Low-Income Children Consume Nutritious Lunches When School Meals Are Not Available (SFSP)

**Objective 5.1:** Increased children's participation in SFSP

#### Key Performance Goals

<u>Barriers to schools and other sponsor participation removed</u>	
Number of participating:	
Sponsors	
<b>Target:</b> 3,900	
<b>Actual:</b> 3,635 <i>data preliminary; final is expected <math>\pm</math> 2%</i>	
Sites	
<b>Target:</b> 32,000	
<b>Actual:</b> 30,911 <i>data preliminary; final is expected <math>\pm</math> 3%</i>	
Children	
<b>Target:</b> 2.42 million	
<b>Actual:</b> 2.22 million <i>data preliminary; final is expected <math>\pm</math> 3%</i>	

**1999 Data:** Data provided above is preliminary, based on State reports collected and consolidated by FNS and reviewed for consistency and completeness. Final data for this objective will not be available until 2<sup>nd</sup> Quarter, fiscal year 2000, and will be reported in the Fiscal Year 2000 Annual Performance Report.

**Analysis of Results:** The program did not achieve FNS goals for SFSP sites, sponsors, or participating children in fiscal year 1999. While FNS engaged in extensive efforts to bring additional sponsors and sites into the program, and the sponsor and site participation increased over the fiscal year 1998 level, this growth was not sufficient to meet performance targets for fiscal year 1999.

**Description of Actions and Schedules:** In fiscal year 2000, FNS intends to continue extensive outreach efforts to potential SFSP sponsors, and will continue to encourage and support State administering agencies, advocates, and National and local organizations in their outreach and sponsorship activity. FNS will again contact National organizations and local public agencies that could influence potential local sponsorships. FNS will also hold a National SFSP summit to encourage SFSP participation by local schools and to identify and address barriers to participation by schools. FNS will also hold region-wide meetings in each of its seven regions for the purpose of recruiting SFSP sponsors. Finally, FNS will analyze the impact of discretionary regulations issued in fiscal year 1999 that affect application requirements to determine whether additional regulatory or policy changes are warranted to help bring additional sponsors into the program.

**Current Fiscal Year Performance:** FNS is hopeful that the efforts described above will attract the sponsors necessary to increase the availability of SFSP benefits to children who need them.

**Program Evaluations:** In fiscal year 1999, GAO published an audit on the "Effects of Reduced Reimbursements on the Summer Food Service Program". It found that while reductions in meal reimbursements that resulted from the 1996 Welfare Reform Act had a minimal impact on the number and characteristics of SFSP sponsors, more sponsors reported that operating costs exceeded Federal reimbursements after the changes were enacted. The audit suggested that the impact of reimbursement changes on sponsors, children, and meals served was limited by such factors as offering less expensive foods than previously served, reducing staff wages, reducing the number of sites at which meals are served, and sponsors' contribution of funds to offset lower reimbursements.

**Objective 5.3:** Improved program integrity among sponsors

#### Key Performance Goal

<u>Better-targeted and higher quality reviews of sponsors and providers by State agencies</u>
Number of reviews conducted
<b>Target:</b> None for fiscal year 1999
<b>Actual:</b> N/A

**1999 Data:** Baseline to be set in fiscal year 2000.

**Analysis of Results:** No results expected for fiscal year 1999.

**Current Fiscal Year Performance:** In fiscal year 2000, FNS will issue program regulations intended to help strengthen State oversight of sponsor performance. FNS will evaluate State-level administration under these new regulations during the fiscal year 2000 SFSP. Using information gathered during this evaluation, FNS will establish a baseline on sponsor performance that will be used to evaluate and compare sponsor performance in subsequent years.

**Program Evaluations:** None conducted related to this Objective in fiscal year 1999.

#### Strategic Goal 6: Improved Quality of Food Distribution Commodities and Services

**Objective 6.1:** Distribute commodities that support the nutrition objectives of FNS programs: Food Distribution Program on Indian Reservations (FDPIR); Commodity Supplemental Food Program (CSFP) and the National School Lunch Program (NSLP)

#### Key Performance Goal

<u>Improved nutrition profile of commodity offerings</u>
Number of commodities added to, modified or deleted from the Foods Available List



**Target: 3**  
**Actual: 9**

**1999 Data:** The Foods Available Lists are created every year by USDA to inform State Distributing Agencies (SDAs) what entitlement commodities FNS is offering for the year. Since the Lists are directly designed, maintained, and administered by FNS staff, they can be considered reliable sources of information on commodity variety.

**Analysis of Results:** FNS significantly exceeded its performance goal in this area for fiscal year 1999. The Foods Available Lists for FDPIR, CSFP, and the NSLP contained a total of nine new commodities. This increase, which significantly exceeded initial plans, reflects a high degree of effort by FNS, the Agricultural Marketing Service (AMS) and the Farm Service agency (FSA), to make new commodity offerings available.

**Current Fiscal Year Performance:** Based on performance in 1999, FNS expects to attain its fiscal year 2000 goal of adding, modifying, or deleting three additional commodities.

**Program Evaluations:** The *School Food Purchase Study* examined the foods being purchased by schools. The study's report compares results with those from a comparable study that was conducted in the 1980's. The comparison indicates a shift in the market basket of foods that schools are purchasing for their meals programs toward more fresh fruits and vegetables and away from some fats and oils. The comparison also indicates that the set of food items offered to schools as USDA commodities is now more numerous and diverse than in the 1980's and includes more fruits and vegetables.

In fiscal year 1999, USDA's OIG issued an audit report assessing FNS and State agency controls over USDA commodities provided to schools through the school meals programs. The report cited problems with excessive commodity inventories and a range of problems dealing with commodity storage and disposal of spoiled commodities. FNS agrees with the audit's recommendations, and is working through its business process reengineering effort to address the concerns raised in the audit.

**Objective 6.2:** Improved program efficiency

### Key Performance Goals

Increased number of State Distribution Agencies participating in the Electronic Data Interchange (EDI) system and subsequent enhancements

**Target: 45**  
**Actual: 50**

Increase number of automated business functions

**Target: 8**  
**Actual: 8**

Reduced paperwork (e.g., record keeping and reporting)

Number of areas where paperwork is reduced  
**Target: 4**  
**Actual: 4**

Redesigned FNS food distribution systems

**Target:** Reengineer selected work processes  
**Actual:** Broader business process reengineering underway

**1999 Data:** Data on this objective, including the State distributing agencies (SDAs) participating in Electronic Data Interchange (EDI), the number of automated business functions, areas of paperwork reduction, improved inventory tracking, and Food Distribution BPR, derives from direct involvement of FNS in ongoing commodity program operations.

**Analysis of Results:** Fiscal year 1999 results include:

- **Fifty SDAs participated in the EDI system, exceeding the fiscal year 1999 target.** The obvious advantages of the system resulted in five more States participating than expected.
- **Eight commodity program business functions were automated, meeting the fiscal year 1999 target.** These included: electronic transmission of the FNS-155 report and the FNS-152 report; Internet availability of the Foods Available Listings, Commodity Fact Sheets, and SDA Listings; automation of the quarterly round survey; creation of a commodity list file report; and the establishment of five FOCUS report directories to assist in the creation of ad-hoc reports.
- **Paperwork was reduced in four areas, meeting the fiscal year 1999 target.** USDA dropped the requirement that SDAs submit consignee receipts for every shipment of USDA commodities received. It dropped the requirement that SDAs report semiannually on the number of households served through the Emergency Food Assistance Program (TEFAP). It reduced the requirement that SDAs review 25 percent of all emergency feeding organizations on an annual basis to once every four years. It also reduced the frequency of TEFAP State Plan submissions from annually to once every four years.
- **FNS did not meet its target to refine the mechanism for tracking Federal inventory for CSFP and FDPIR in fiscal year 1999.** This effort has been subsumed into the Commodity Program Business Process Reengineering (BPR) Project, which is addressing inventory issues as part of its larger effort to fundamentally redesign USDA's commodity distribution system to achieve dramatic improvements in cost, quality, and customer service. The overall schedule of the initiative is outlined under "Description of Actions and Schedules," below.
- **Redesign of FNS food delivery business processes is underway and on schedule.** In fiscal year 1999, reinvention teams met and developed ideas for needed change. USDA is in the process of using these ideas to develop a Departmental plan for change, to be made public for comment and feedback from program partners and cooperators in mid fiscal year 2000.

Because some strategies being pursued under Objective 6.2 have been subsumed into FNS's Commodity Program Business Process Reengineering (BPR) effort, the performance measure relating to refining the mechanism for tracking State Distribution agency inventory has been discontinued. See Appendix A for additional information.

**Description of Actions and Schedules:** Once feedback on potential reinvention strategies is obtained, adjustments will be made, and the plan will be submitted to USDA's Commodity Improvement Council for approval. Implementation is expected to start in late fiscal year 2000 or early fiscal year 2001. More complex plan components, such as redesign of automated systems, are expected to take several years to complete.

**Current Fiscal Year Performance:** Based on the results of the BPR, FNS may not meet its fiscal year 2000 goals to refine the method for tracking Federal inventory in CSFP and FDPIR. FNS expects to attain all other fiscal year 2000 goals for this objective.

**Program Evaluations:** As noted above, FNS is pursuing a Commodity Program Business Process Reengineering (BPR) Project; USDA is in the process of developing a Departmental plan for change, to be made public for comment and feedback from program partners and cooperators in mid fiscal year 2000. Additional information on this effort can be found on the FNS website at <http://www.fns.usda.gov/fdd/MENU/fd2000/fd2000.htm>.

**Objective 6.3:** Improved service for commodity customers

**Key Performance Goals**

Improved communications with customers

Number of updates distributed

**Target:** 4**Actual:** 4

Number of hits on the Food Distribution Division (FDD) Internet home page

**Target:** To be determined (establish baseline)**Actual:** No baseline established in fiscal year 1999

**1999 Data:** As all of the activities undertaken in pursuit of this objective are directly designed, maintained, and administered by FNS staff, data is derived from agency records of completed work activity. For the indicator dealing with usage of the FNS Food Distribution website, The agency will use a commercial software package to determine the number of Food Distribution home page hits. Baseline data was not established in fiscal year 1999; the first baseline will be established in fiscal year 2000, and will be reported in the Fiscal Year 2000 Annual Performance Report.

**Analysis of Results:** FNS accomplished its fiscal year 1999 goal of developing four newsletters or updates and distributing them to States and locals. This level of performance represents a modest increase in communication with program partners through paper-based efforts, which are being complemented through the use of FNS's website.

FNS did not accomplish its goal of completing a baseline measure of FDD Internet home page hits during fiscal year 1999. Measurement began in early fiscal year 2000, and indicated significant activity on the FDD home page.

Because a number of the strategies being pursued under Objective 6.3 have been subsumed into the BPR effort, separate indicators relating to customer satisfaction surveys, timely deliveries to schools shipped within promised time frames, and commodity acceptability have been discontinued. See Appendix A for more information.

**Description of Actions and Schedules:** As noted above, a baseline for FDD website activity will be established in fiscal year 2000. In addition, ongoing measurement of FDD website activity will be pursued through the year, so that late fiscal year 2000 activity can be compared with the initial baseline.

**Current Fiscal Year Performance:** Redesign of FNS food delivery business processes is underway and on schedule. Implementation of a Department-wide plan for change is expected to start in late fiscal year 2000 or early fiscal year 2001. The more complex components of the plan, such as those requiring redesign of automated systems, are expected to take several years to complete.

**Program Evaluations:** None conducted related to this Objective in fiscal year 1999, with the exception of assessment activities related to the Commodity Distribution BPR, described under Objective 6.2, above.

**Objective 6.4:** Support for the USDA gleaning initiative for foods used in the FNS feeding programs and/or distributed by FNS programs

Support Departmental gleaning/food recovery efforts

Number of schools involved in gleaning/food recovery

**Target:** Establish baseline**Actual:** Baseline not establishedDistribution of Step-by-Step Guide on the School Meals/Small Farmers Initiative**Target:** Distribution complete**Actual:** Guide completed; printing underway

**1999 Data:** FNS is in the process of establishing a methodology to identify a baseline for the number of

schools involved in gleaning/food recovery efforts nationwide.

Information on publication and distribution of the Step-by-Step Guide is derived from direct FNS participation in these activities, and related administrative records.

**Analysis of Results:** A baseline was not established on the number of schools involved in gleaning/food recovery efforts is available for fiscal year 1999.

While the Step-by-Step Guide on the School Meals/Small Farmers ("Farm-to-School") Initiative was completed in fiscal year 1999, printing and distribution were not completed before the end of the year.

**Description of Actions and Schedules:** While overall responsibility for USDA's gleaning and food recovery efforts has been transferred to USDA's Community Food Security Initiative, efforts to encourage food recovery in schools continue as part of the Initiative's Action Plan. FNS expects to establish a baseline on the number of schools involved in gleaning/food recovery efforts in fiscal year 2000, and to encourage additional schools to get involved.

Printing and distribution to school food authorities and other interested parties of the Step-by-Step Guide should be completed in fiscal year 2000.

**Current Fiscal Year Performance:** In fiscal year 2000, FNS expects to complete and distribute a "best practices" report, based on the experiences of 12 schools that received grants in fiscal year 1999 to support and encourage food recovery. The report is being prepared and will be finalized in fiscal year 2000; FNS hopes that this publication will encourage additional schools to participate in food recovery during the current fiscal year.

**Program Evaluations:** None conducted related to this Objective in fiscal year 1999.

**Management Initiative I:** Continually Improve the Quality, Effectiveness and Diversity of the FNS Work Force

(Note: Because of the diversity of performance goals under Management Initiative I, performance information under this Initiative has been organized around performance goals in three key areas: workforce improvement, work environment improvement, and workforce diversity.)

#### **Work Force Improvement: Key Performance Goals**

##### Hire top-quality individuals and improve employees' work skills:

Number of Outstanding Scholars hired at entry level

**Target:** Establish baseline

**Actual:** Baseline established (4)

Effectiveness of training

**Target:** >60%

**Actual:** data not available

**1999 Data:** In general, performance data for the goals above is derived from FNS's administrative records; the quality and reliability of this data is high. For one measure— customer satisfaction with training—fiscal year 1999 data was to be derived from FNS Employee Work Life Survey. Unfortunately, the Survey was not administered.

**Analysis of Results:** In fiscal year 1999, FNS achieved its goal of establishing a baseline for the number of Outstanding Scholars hired at entry level. However, FNS's plan to use this strategy to improve its work force changed significantly. Because of Departmental concerns, FNS instituted a major revision in its Outstanding Scholars policy during fiscal year 1999. As a direct result of this revision, far fewer Outstanding Scholars were hired in fiscal year 1999 than in previous years, and this trend is likely to

continue in the future.

Data is not available with regard to customer satisfaction with training in fiscal year 1999.

Although not reflected clearly in the fiscal year 1999 performance indicators, FNS made significant progress in the area of total quality management, which directly supports its performance goal to continually improve the FNS work force by hiring top-quality individuals and improving employees' skills. In particular, the agency's total quality management program, *Leadership 2000 and Beyond*, is aimed at improving the skills of employees, and at making the agency an attractive, progressive workplace that will encourage high-quality candidates to accept FNS positions when they are available.

**Current Fiscal Year Performance:** Given the changes in Outstanding Scholars policy made by FNS in fiscal year 1999, it is unclear whether the agency will be able to achieve its fiscal year 2000 goal to increase hiring through this program above the fiscal year 1999 level.

Although the tool is not available at this time to measure improvement in effectiveness of training, a great deal of work is being done in the training area. Robust implementation of *Leadership 2000 and Beyond* is expect to continue in fiscal year 2000, contributing to increases in training opportunities and effectiveness for FNS employees. For example, the Leadership Institute, a new, intensive leadership development program instituted during fiscal year 1999, will be pursued vigorously in fiscal year 2000.

**Program Evaluations:** A Personnel Management Evaluation of the FNS human resource service delivery system was completed in fiscal year 1999. The recommendations, which were formulated by a review team which consisted of representatives from FNS, other parts of USDA, and the Office of Personnel Management, touched upon each major HR area, were generally favorable, and are being implemented as resources allow. A copy of this report may be obtained from FNS's Human Resources Division.

Also in fiscal year 1999, FNS was evaluated by the Government Performance Project (GPP), an enterprise of the Maxwell School of Citizenship and Public Affairs at Syracuse University, in partnership with *Governing* and *Government Executive* magazines. The GPP was intended to describe the management strategies of Federal agencies, compare management systems at all levels of government, and provide a comprehensive clearinghouse of information on Federal management practices. One of 15 agencies invited to participate in GPP, FNS received an overall grade of "B"; only one agency scored higher. The FNS Report Card detailed agency grades of "A" in Information Technology/Capital Management, "B" in financial management, "B" in Human Resources, and "B" in Managing for Results. The Report Card observed accurately that FNS's "loss of 40 percent of staff since 1980 has brought shortages of critical skills."

#### **Work Environment Improvement: Key Performance Goals:**

##### Improve the physical work environment:

Number of smaller-than-standard work stations

**Target:** Replace 50% of those identified in 1998 baseline

**Actual:** Replaced 24% of those identified in 1998 baseline

Number of work stations that are ergonomically suitable for computers and peripherals

**Target:** 5% identified in 1998 baseline

**Actual:** Replaced 23% of those identified in 1998 baseline

Continue to implement the agency Infrastructure Modernization throughout FNS

Number of upgraded file servers

**Target:** Replace all pre-Pentium file servers

**Actual:** All pre-Pentium file servers have been replaced.

Number of work stations with token ring topology

**Target:** All FNS HQ work stations converted to Ethernet

**Actual:** 250 (approximately 38%) of HQ workstations converted to Ethernet

Assessment of telecommunications infrastructure

**Target:** Traffic capacity consistent with demand

**Actual:** Traffic capacity still consistent with demand, despite increase in traffic.

**1999 Data:** In general, performance data for these goals is derived from FNS's administrative records; the quality and reliability of this data is high.

**Analysis of Results:** FNS generally succeeded in improving the physical work environment and continuing to upgrade its information technology (IT) infrastructure:

- **The agency made progress, but did not meet its goal of replacing 50% of its smaller-than-standard workstations**, because of its decision to replace substandard workstations only as the Headquarters building renovation progresses, and because of changes in the renovation roll-out. By the time building renovation is completed, all substandard workstations will have been replaced.
- **FNS has exceeded its goal to provide upgraded, ergonomically-appropriate workstation furniture** as part of the FNS Headquarters renovation.
- **FNS met its goal to replace all pre-Pentium file servers.**
- **The agency has not met its goal of converting all Headquarters workstations to Ethernet**, because the conversion process has been coordinated with the building renovation. To reduce cost, workstations are converted to Ethernet only as the floor on which they are located is renovated.
- **Traffic capacity appears to remain consistent with demand.** While the agency has not yet formally measured traffic to determine if projections indicate a requirement for increased capacity, day-to-day monitoring of service calls to the Help Desk indicate that traffic problems are not yet an issue.

**Description of Actions and Schedules:** As noted above, continued replacement of smaller-than standard workstations and Ethernet conversion will be accomplished as building renovation progresses in fiscal year 2000.

**Current Fiscal Year Performance:** Much of the work in the areas of IT infrastructure modernization and the physical work environment is ongoing in fiscal year 2000, building on progress made in fiscal year 1999.

**Program Evaluations:** In fiscal year 1999, FNS was evaluated by the Government Performance Project (GPP), an enterprise of the Maxwell School of Citizenship and Public Affairs at Syracuse University, in partnership with Governing and Government Executive magazines. See the summary under the work environment goals, above, for more information.

#### **Workforce Diversity: Key Performance Goals:**

Improved diversity of FNS work force

Percent of senior positions filled by women and minorities:

Women

**Target:** 47%

**Actual:** 48%

Minorities

**Target:** 22%

**Actual:** 23%

Percent of women and minorities in the FNS workforce:

Women

**Target:** 63%

**Actual:** 64%

Minorities

**Target:** 31%

**Actual:** 34%

Percent of workforce with disabilities <b>Target:</b> 13% <b>Actual:</b> 12%
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**1999 Data:** USDA's National Finance Center (NFC) collects data from FNS personnel actions and provides the agency with a statistical report by race, sex, National origin, occupational category, grade levels and disability for each organization. The agency also uses Civilian Labor Force and Federal work force projections, from the Office of Personnel Management, to develop employment targets. NFC data may include errors due to processing and accuracy of data reported; potential errors are examined, and corrections in the data base are made as necessary.

**Analysis of Results:** FNS met its goals of achieving representation of women and minorities in both senior positions and in the work force generally. FNS continues to achieve a higher percent of representation of women and minorities than the overall Federal work force and the civilian labor force. The one percent increase of women and minorities in the FNS work force is a result of recruitment efforts and continued growth in relationships with 1890 Land Grant Universities and Hispanic Association of Colleges and Universities (HACU) institutions.

FNS did not achieve its target regarding the percent of the workforce with disabilities in fiscal year 1999.

**Description of Actions and Schedules:** FNS will continue its efforts to recruit highly-qualified applicants with disabilities in fiscal year 2000.

**Current Fiscal Year Performance:** In fiscal year 2000, the agency will continue its effort to achieve and maintain a work force that is representative of the Nation's labor force at entry, mid, senior, and executive levels.

**Program Evaluations:** FNS was one of four USDA agencies selected by the National Partnership for Reinventing Government (NPR), Diversity Task Force, to analyze its diversity accomplishments. The Task Force completed its assessment, but the results have not been published.

## Management Initiative II: Maintain Continued Fairness in FNS Program Delivery

### Key Performance Goal

Monitor and assure fairness in FNS program delivery systems Number of program delivery complaints received and reviewed <b>Target:</b> 277 <b>Actual:</b> 262 Days needed to issue a decision <b>Target:</b> 90 <b>Actual:</b> 90 Number of appeals <b>Target:</b> 3 <b>Actual:</b> 4
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**1999 Data:** The civil rights complaints received are tracked through an automated complaint tracking system which is accessible throughout FNS. The complaint tracking system is updated daily as complaints are received.

**Analysis of Results:** FNS met its performance targets under this Initiative, maintaining its effectiveness in assuring fairness in delivery of program benefits. The decrease in the number of complaints received and reviewed in fiscal year 1999—surpassing FNS's goal of no increase—and the timeliness in which decisions were rendered, suggest that program beneficiaries are treated fairly without regard to race,

color, religion, age, sex, National origin, political beliefs or disability. Factors contributing to the decrease include a new focus and emphasis on quality customer service, and the piloting in two States of a Complaint Prevention and Resolution (CPR) Program, designed to address rude treatment issues.

While the number of appeals in fiscal year 1999 exceeded the fiscal year 1998 number by 1, this figure remained below the baseline set in fiscal year 1997, and indicates FNS continued strong performance in complaint-resolution.

**Current Fiscal Year Performance:** FNS will ensure that programs use uniform civil rights standards and procedures that result in timely, consistent, and effective endorsement of all applicable civil rights requirements. In fiscal year 2000, the CPR Program will be further implemented; efforts will continue to improve the handling of complaint inquiries and ensure that review procedures provide for effective and consistent implementation of a substantive, continuous program post-award compliance reviews.

**Program Evaluations:** None conducted related to this Initiative in fiscal year 1999.

**Management Initiative III:** Users Have Accurate, Timely, Financial Data Available

(Note: Because of the diversity of performance goals under Management Initiative III, performance information under this Initiative has been organized by individual performance goal.)

#### Key Performance Goal

##### Maintain progress in upgrading FNS's financial systems:

Foundation Financial Management System (FFIS), Department NFC financial systems upgrade

**Target:** Continued development of FFIS- relational database, approved Federal application software in accordance w/ GSA schedule

**Actual:** FNS continued to support the Departmental FFIS initiative and prepare for its upcoming implementation effort.

Agency Financial Management System (AFMS) upgrade to client server technology

**Target:** Continued development of AFMS application, database, client server system in accordance w/ schedule

**Actual:** Continued progress was made in the effort to implement the client server version of the AFMS system. System implementation was on schedule and within budget.

National Data Bank (NDB) upgrade to data warehouse technology

**Target:** Continued development of NDB; relational database; client server application.

**Actual:** Evaluation and testing of potential system software was completed. Initiated development of prototype system.

**1999 Data:** Data on financial systems upgrade is derived from internal FNS work records, and can be verified by USDA Departmental Administration's administrative records.

**Analysis of Results:** FNS achieved its goals to maintain progress as planned in updating its automated financial systems. Key activities include:

- **Foundation Financial Management System (FFIS), Department NFC financial systems upgrade:** FNS continued its support of the Departmental FFIS initiative.
- **Agency Financial Management System (AFMS) upgrade to client server technology:** The AFMS upgrade continued on schedule and within budget; all initial implementation work has been completed, and FNS has begun system testing. The agency is on schedule for agency implementation of the AFMS client server in fiscal year 2000.
- **National Data Bank (NDB) upgrade to data warehouse:** FNS evaluated potential software that would provide a conduit from its mainframe data to a relational client server based data warehouse,



and has selected software to prototype the system.

**Current Fiscal Year Performance:** FNS is on schedule for agency implementation of FFIS in fiscal year 2001. The agency will complete testing of the AFMS client server software, perform data conversion, system training, and implement the system in fiscal year 2000. For the National Data Bank, FNS is on schedule to complete its prototype of the data warehouse system in fiscal year 2000.

**Program Evaluations:** None conducted related to this goal in fiscal year 1999.

#### Key Performance Goal

<p><u>Implement new or revised Departmental and Government-wide financial standards and policies:</u></p> <p>Independent financial statement audit</p> <p><b>Target:</b> Continue to implement and update Department and Government-wide financial standards (e.g., cost accounting implementation guidance)</p> <p><b>Actual:</b> Updates were made and changes implemented based on the USDA, OCFO FASM updates, OMB 97-01 updates, FASAB standards updates. The changes were timely, complete and reflected in final products.</p>
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**1999 Data:** Data on achievement of this goal reflects a comparison by FNS's assessment of its compliance with new and updated financial standards and policies in the financial management products and processes for which FNS is responsible.

**Analysis of Results:** The agency's performance goals in this area were achieved in fiscal year 1999. Updates were made and changes implemented based on the USDA, OCFO FASM updates, OMB 97-01 updates, FASAB standards updates. The changes were timely, complete and reflected in final products.

**Current Fiscal Year Performance:** FNS anticipates continuing its successful level of performance in this area in fiscal year 2000.

**Program Evaluations:** None conducted related to this goal in fiscal year 1999.

#### Key Performance Goal

<p><u>Improve data integrity and agency ability to produce timely, accurate and supported financial statements and other financial information</u></p> <p>Independent financial statement audit</p> <p><b>Target:</b> Make progress toward resolving financial statement issues</p> <p><b>Actual:</b> Required analysis and reconciliation were timely, accurate and complete; required corrections were processed and reflected in final products; no known material issues have been identified to date impacting the fiscal year 1999 audit. FNS's fiscal year 1998 financial statement audit resulted in an "unqualified" (clean) opinion.</p>
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**1999 Data:** Data on achievement of this goal reflect ongoing work to prepare required financial information, and resolve emerging issues with USDA auditors and financial officials.

**Analysis of Results:** In fiscal year 1999, FNS achieved its target to make progress toward resolving financial statement issues. Required analysis and reconciliation were timely, accurate and complete; required corrections were processed and reflected in final products; no known material issues have been identified to date impacting the fiscal year 1999 audit. FNS's fiscal year 1998 financial statement audit resulted in an "unqualified" (clean) opinion.

**Current Fiscal Year Performance:** FNS anticipates continuing its successful level of performance in this area in fiscal year 2000.

**Program Evaluations:** As noted above, USDA's Office of the Inspector General (OIG) issued its audit of FNS's fiscal year 1998 Financial Statements in fiscal year 1999. The agency received an "unqualified" (clean) opinion on its audit. OIG reported that FNS made progress in strengthening its internal control structure in fiscal year 1998, and made a number of recommendations, in which FNS concurred, to continue progress in improving its financial management processes.

### Key Performance Goal

<u>Improvement of the budget development process:</u>	
Development Process:	
<b>Target:</b>	Program staff has clear, concise understanding of development process and utilizes the final product for their area
<b>Actual:</b>	A number of planned actions to ensure that program staff did have a better understanding of the budget formulation process were scheduled and carried out.
Timeliness:	
<b>Target:</b>	Information provided earlier to allow budget staff additional time to develop budget materials with added quality
<b>Actual:</b>	A number of planned actions were executed with the objective of improving the budget formulations in order to provide the budget staff more time to develop, analyze and finalize the attendant budget materials.
Product Quality:	
<b>Target:</b>	Budget documents with enhanced format including charts, graphs and improved and creative narrative making a clear, concise presentation
<b>Actual:</b>	A number of quality-related improvements were made to both budget materials and related Congressional hearing materials all with the purpose of achieving improved clarity and conciseness in the materials.

**1999 Data:** Data on the achievement of this goal reflects review and assessment by senior FNS officials involved directly in the budget development process.

**Analysis of Results:** FNS achieved its performance targets in this area through accomplishment of a range of important changes in the agency's budget process:

- **Development Process - Program staff has clear, concise understanding of development process and utilizes the final product for their area:** A number of planned actions were scheduled and carried out. A briefing session was conducted by the Budget Division Deputy Director for Special Nutrition Program staff and managers on the details of the budget process, including budget development and the follow-on hearings process. Time was also spent in one-on-one sessions with personnel from the Center for Nutrition Policy and Promotion to help them better understand the budget development process and requirements.
- **Timeliness: Information provided earlier to allow budget staff additional time to develop budget materials with added quality:** Budget Division has improved and better enforced schedules for submission of budget development information by FNS program organizations, and has thus been able to provide budget staff some additional time to develop budget materials. Dialogue with program staff and managers (described in the "Development Process," above) has also contributed to FNS's moderate success in this area.
- **Product Quality: Budget documents with enhanced format including charts, graphs and improved and creative narrative making a clear and concise presentation:**

- The “Status of Program” section in the Explanatory Notes has been edited to eliminate duplication and improve readability.
- The structure of Appropriations testimony related to FNS has been improved, and the quality of responses to questions from Appropriations committee members has been increased. A significant quality check was accomplished by the Budget Division for the fiscal year 2000 questions to ensure improvement.
- Budget presentation materials developed for use by the Under Secretary for Food, Nutrition, and Consumer Services in briefings to the Deputy Secretary and the Secretary have been improved. FNS has increased the use of graphics and visual elements, and a clearer delineation of unifying themes or concepts that help to clarify the purpose of specific components of the requests.

**Current Fiscal Year Performance:** While FNS intends to maintain and build upon these improvements, there is no effective way to objectively measure the effect of fiscal year 1999 performance on current year performance.

**Program Evaluations:** None conducted related to this goal in fiscal year 1999.

### Key Performance Goal

<u>Continue progress towards full implementation of the Debt Collection Improvement Act (DCIA)</u>	
Percentage of eligible delinquent food stamp recipient claims transferred to Treasury	
<b>Target:</b>	40%
<b>Actual:</b>	100%
Percentage of eligible delinquent food stamp retailer debts referred to Treasury	
<b>Target:</b>	75%
<b>Actual:</b>	87%

**1999 Data:** Data on eligible recipient debt transferred to Treasury was obtained and verified from FNS' internal records of transfers. As this information is derived from the electronic files of food stamp recipient claims that FNS uses to transfer eligible debt to Treasury, it is highly accurate and easily verified.

Data on referrals of retailer debt was derived from information of eligible delinquent retailer debt maintained in the Agency Financial Management System (AFMS), and FNS's administrative records of referrals to Treasury. The percentage of eligible delinquent debt referred to Treasury is easily verified through examination of these records.

**Analysis of Results:** For both indicators under this objective—recipient claims and retailer debts—the programs far exceeded their APP targets. 100% of all delinquent eligible Food Stamp recipient claims forwarded to FNS by its State partners (approximately \$250 million) was transferred to Treasury for offset collection in fiscal year 1999.

87% of (402 out of 463) delinquent eligible Food Stamp retailer debts were forwarded by FNS to Treasury for cross-servicing in fiscal year 1999. Eligible debts include those that are delinquent and for which no collection activity is taking place, but do not include those under repayment agreement, under administrative review or appeal, in litigation or under a court-ordered restitution agreement. Court-ordered restitutions represent a significant number of retailer debts in FNS's accounts receivable.

**Current Fiscal Year Performance:** On recipient claims, FNS expects its own performance to continue at the same level, and State performance to continue to improve as described above.

On retailer debts, FNS expects performance to continue to improve. Because FNS has no legal authority over debts once the courts have mandated restitution, the agency is currently involved in an effort to include court-ordered restitution debts under the umbrella of Treasury's cross-servicing program. This would require that either FNS or the Department of Justice refer such debts to Treasury once the debtor defaults on payment.

**Program Evaluations:** An fiscal year 1999 GAO report explored FNS's procedures for assessing and collecting fines levied against retailers for FSP violations. See the summary under Objective 1.2, above, for more information.

### Key Performance Goal

<u>Correct identified internal control deficiencies in a timely manner</u>	
Percentage of audits completed timely	
<b>Target:</b> 50%	
<b>Actual:</b> 90%	
Percentage of Federal Managers' Financial Integrity Act (FMFIA) material deficiencies corrected timely	
<b>Target:</b> 75%	
<b>Actual:</b> 87%	

**1999 Data:** Data on audits completed timely was gathered from a report generated by FNS' automated tracking system, which reflects audit progress and status for all Office of Inspector General (OIG) audits issued to FNS.

Because of changes in Departmental audit reporting policy, FNS altered the indicator it originally proposed for audit resolution, which involved specific identification of audits by the date provided. The indicator reported here compares the number of FNS-related audits issued by OIG in fiscal year 1999 to the number of audits closed during the same period. All audits are FNS program-specific (conducted by the OIG), or are OMB Circular A-128, Single Audit of State and Local Governments (conducted by independent auditors and issued by the OIG). For purposes of comparison, corresponding figures for fiscal years 1997 and 1998 are also noted. In fiscal year 1997, most State Single Audits were removed from the Department's tracking system. In keeping with its methodology, however, FNS included these audits in its calculation.

Data on fiscal year 1999 FMFIA material deficiencies corrected timely are final and were derived by totaling the fully completed corrective action steps and dividing this total by the total number of corrective action steps that were planned for completion.

**Analysis of Results:** In fiscal year 1999, 90 FNS-related audits were issued, and the agency closed 81, achieving a 90% ratio of audits closed to audits issued, well above the 50% performance level targeted for fiscal year 1999.

Fiscal year	Issued	Closed
1997	101	91
1998	78	102
1999	90	81

Combining audit resolution data for fiscal year 1999 with that from the previous two fiscal years shows that for the fiscal years 1997 through 1999, 269 FNS-related audits were issued and 274 audits were closed, underscoring the agency's exceptional progress in eliminating its backlog of older audits.

For fiscal year 1999, FNS had 8 material deficiencies. A total of 39 corrective action milestones related to these deficiencies were scheduled for completion for fiscal year 1999; of these, 34 were fully completed, a rate of 87% that significantly exceeded the 75% target for the fiscal year.

**Current Fiscal Year Performance:** FNS expects to make continued progress in audit resolution in fiscal year 2000, and anticipates achieving its performance goal in this area. As noted above, FNS could not adopt the originally-intended indicator for fiscal year 1999; FNS intends to continue to refine its measure, in consultation with USDA's Chief Financial Officer's Office, to develop the most complete, consistent, and meaningful indicator possible of FNS's audit resolution performance.

For the material weakness indicator, it is unclear whether, in anticipation of the government-wide planned discontinuance of FMFIA reporting in fiscal year 2000, the indicator will be necessary or meaningful. FNS nonetheless intends to continue its focus on areas of potential risk, as a critical part of effective stewardship of Federal funds.

**Program Evaluations:** FNS has a Management Control Steering Committee that periodically meets to develop strategies for effectively assessing and addressing vulnerabilities in FNS's operations. Beginning in fiscal year 1999, the agency is aggressively monitoring corrective actions for areas of concern which do not rise to a level of materiality for the agency. This proactive measure will help ensure issues are resolved timely and before they become critical in nature.

### **Obtaining Program Evaluations**

Unless otherwise noted, evaluations identified in the report were conducted by FNS. Copies of these evaluations can generally be obtained through the FNS website at <http://www.fns.usda.gov/oane/>, or by contacting the Agency at [GPRAINPUT@fns.usda.gov](mailto:GPRAINPUT@fns.usda.gov).

Evaluations conducted by the Economic Research Service (ERS) can generally be obtained through the ERS website at <http://www.econ.ag.gov/Prodsrvs/rept-fd.htm>; specific requests for hard copies can be directed to the USDA Order Desk at 1-800-999-6779.

While not all audits and reports prepared by USDA's Office of the Inspector General (OIG) are available to the general public, many can be obtained through their website at <http://www.usda.gov/oig/auditrpt/auditrpt.htm>; specific requests can be directed to USDA-OIG at 202-720-5677.

Copies of many reports issued by the General Accounting Office in fiscal year 1999 are available to the general public through their website at <http://www.gao.gov/AIndexFY99/searchpg.him>; specific requests can be directed to GAO at 202-512-6000.

## FOOD AND NUTRITION SERVICE

### DISCONTINUED PERFORMANCE MEASURES

#### Goal 2: Healthful Diets for School-Age Children

##### Objective 1: School meals are consistent with the *Dietary Guidelines for Americans* and the Recommended Dietary Allowances (RDAs)

Improved skill level of school personnel

Number of persons receiving training under the School Food Service Improvement Initiative

**Explanation:** The resources requested to carry out this initiative were not provided by Congress for either fiscal year 1999 or fiscal year 2000. FNS's combined fiscal year 1999-2000 Annual Performance Plan reduced to zero the agency's fiscal year 1999 target to train persons under the School Food Service Improvement Initiative. No activities were carried out, nor was data collected in fiscal year 1999. Because funding was also not provided in fiscal year 2000, making the training goal for that year unattainable as well, and because no further performance targets related to the Initiative are planned, FNS has decided to discontinue this measure.

#### Goal 3: Improved Nutritional Status and Health of Low-income Women, Infants and Children (WIC Program)

##### Objective 2: Improved dietary practices of participant women and children

FNS technical assistance and support materials reflect current nutrition science

Percent of FNS WIC materials reviewed to ensure consistency with current nutrition science

**Explanation:** FNS is discontinuing the measure because the process it measures is redundant with existing agency review processes. Upon examination of the data sources for this and the existing processes, it was determined that all technical assistance and support materials already receive a three-level review during development: an expert panel review; a peer review, including State agency representation; and an inter-departmental review by USDA and DHHS. The resources available for review are (a) the personnel expertise from the three-level reviews and (b) the Dietary Guidelines. In addition, food package recommendations are reviewed as needed. Given the existing processes, it has been determined that the measure of materials consistent with current nutrition science will always be at 100% and that additional reviews would be unnecessary.

Monitor the nutritional intake of low-income pregnant and lactating women and children up to the age of 5, with emphasis on WIC program recipients and other low-income persons

Develop an annual, enhanced-sample Continuing Survey of Food Intakes of Individuals (CSFII), complete with survey specification for the random sample and the low-income over sample

**Explanation:** While FNS has continued to pursue efforts to augment the CSFII to better monitor the dietary intake of low-income participants, its plans in this area have changed significantly since the goal was set. Despite the fact that a major increase in the low-income sample has been funded by the Economic Research Service (ERS), further analysis has shown that even the enlarged survey will not result in a sample of sufficient size to provide the data necessary to draw conclusions with regard to the dietary practices of the WIC population. Therefore, the planned target related to the CSFII design has been discontinued. FNS continues to provide guidance and technical assistance regarding appropriate questions regarding nutrient intake for low-income people. The Department of Health and Human Services (HHS) and USDA will integrate the CSFII and the National Health and Nutrition Examination Survey (NHANES) into a National Food and Nutrition Survey of greatly increased sample size. FNS will continue to work with the National Food and Nutrition Survey to pursue nutrition monitoring for the WIC population and other low-income groups.

It is important to note that, while the initial effort to use the CSFI to monitor dietary intake for WIC participants has changed significantly, FNS is making important progress in achieving the performance goal through other strategies. In fiscal year 1999, FNCS's Center on Nutrition Policy and Promotion (CNPP) used NHANES data to prepare a "Review of the Nutritional Status of WIC Participants," which concluded, among other findings, that while infants and children appear to achieve good overall nutrient intake, women's diets need improvement.

### **Objective 3: Improved nutritional qualifications of State and local WIC staff**

<u>Expanded training opportunities for State and local WIC staff</u> Number of training opportunities available from funded sources
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**Explanation:** FNS is discontinuing this measure because, in its focus on the availability of discrete "training opportunities," it does not represent a meaningful measure of accomplishment in learning and improved nutrition qualifications for WIC staff.

It is worth noting that the fiscal year 1999 performance target has been met, and that performance is likely to be sustained for the foreseeable future. The impetus for the original measure stemmed from FNS's support for development of a training course through the Penn State distance education dietetic technical programs. As of fiscal year 1998, the course became available to appropriate State and local WIC staff desiring to improve their credentials. The number of training opportunities is open and ongoing, with the number of training slots available for WIC staff limited only by the level of staff interest and participation, offering an excellent opportunity for distance learning for WIC staff.

During fiscal year 2000, FNS WIC staff will be working towards web-based interactive training tools, in cooperation with the Food and Nutrition Information Center of USDA's National Agricultural Library. Part of this will be to maintain a database of nutrition education materials, accessible through our website, as well as nutrition education chat rooms and bulletin boards. The agency plans to use these new tools to help us measure and meet the nutrition education needs in the WIC community.

### **Goal 6: Improved Quality Of Food Distribution Commodities And Services**

#### **Objective 2: Improved program efficiency**

<u>Refine mechanism for tracking State Distribution agency inventory</u>
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#### **Objective 3: Improved service for commodity customers**

<u>Survey developed to measure customer satisfaction of delivery and receipt of orders</u> <u>Increased percentage of deliveries to schools shipped within promised time frames</u> <u>Improved customer satisfaction of commodity program</u> <u>Completed mechanism to measure customer satisfaction with commodities</u>
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**Explanation:** Since the indicators from Objective 6 listed above were developed, FNS has expanded its effort to redesign food delivery into a full-fledged business process reengineering (BPR) effort. The performance measures identified above have been subsumed into this project; therefore, FNS did not seek to develop a customer satisfaction survey in fiscal year 1999, nor obtain a baseline measure of satisfaction using the survey as originally intended, and has not completed a redesign of the Commodity Acceptability Survey.

The agency has also stopped tracking the timeliness of commodity deliveries to schools as originally planned. Plans are underway as part of the BPR to develop alternative mechanisms, potentially using Web-based technology, to collect customer satisfaction, timely delivery, and commodity acceptability information.

In the Fiscal Year 2001 Annual Performance Plan, new measures related to this area of performance have been developed that relate directly to plans for change being formulated through the BPR.